United Nations

A/AC.251/9

General Assembly

Distr.: General
14 June 2002

Original: English

Ad Hoc Committee of the Whole of the General Assembly for the Final Review of the Implementation of the United Nations New Agenda for the Development of Africa in the 1990s
Organizational session

Independent evaluation of the implementation of the United Nations New Agenda for the Development of Africa*

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* The document was submitted late to the conference services without the explanation required under paragraph 8 of General Assembly resolution 53/208 B, by which the Assembly decided that, if a report is submitted late, the reason should be included in a footnote to the document.

02-42570 (E) 220802

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Summary

Mandate of the Panel

The United Nations New Agenda for the Development of Africa in the 1990s was adopted by the United Nations General Assembly in 1991 by its resolution 46/151 of 18 December 1991. In the resolution, the Assembly called for a mid-term review of the implementation of the New Agenda, followed by a final review and assessment. In 1999, the Economic and Social Council requested that the Secretary-General commission an independent evaluation of the New Agenda, and the General Assembly stressed that such an evaluation should be independent and of a high-level quality. A 12-member Panel of Eminent Personalities, supported by a small team of senior independent experts, was established by the Secretary-General to carry out this task.

Key findings of the independent evaluation on the overall performance in the implementation of the priority areas of the New Agenda

The New Agenda was a compact of mutual commitments by African countries and the international community. An outstanding feature of the New Agenda was the setting of a desirable target of an average real growth rate of at least 6 per cent per annum of gross national product (GNP) throughout its period of coverage. To achieve that rate, it was estimated that a minimum net official development assistance (ODA) of $30 billion would be required in 1992, after which real net ODA would have to increase at an average of 4 per cent a year. Throughout much of the decade, however, the growth rate was about 3 per cent, well below the growth rate necessary to attain the poverty reduction targets set by the international community — a very disappointing result.

The poor economic performance is attributed to several reasons. A central problem was the failure of the promised external support to materialize. Instead of growing, ODA to Africa declined during the decade, from $28.62 billion in 1990 to $16.38 billion in 2000, a decline of 43 per cent. Moreover, debt-reduction mechanisms had yielded few significant results by the end of the decade. For example, of the 33 African countries eligible for the Heavily Indebted Poor Countries (HIPC) initiative launched in 1996, 18 had reached "decision point", that is, when actual debt servicing is suspended, as of April 2002. Of these, only four countries had reached "completion point", that is, when debt is effectively cancelled, as of April 2002. Many creditor countries, recognizing implicitly the inadequacy of the Enhanced HIPC Initiative (HIPC II), have arranged varying additional measures for debt cancellation and reduction.

Trade opportunities increased far more slowly than anticipated. Moreover, the continuing reliance of African economies on a very narrow range of primary commodities deprived them of the benefits of the considerable growth in global exports of manufactured products. Commodities made up 26.6 per cent of Africa's total exports, while oil accounted for 54.7 per cent and manufactures, 18.4 per cent. Terms of trade deteriorated throughout the decade, resulting in declining export earnings. Towards the end of the New Agenda, several developed countries enacted improvements in the Generalized System of Trade Preferences schemes and other trading arrangements, which would benefit African countries.

The New Agenda recognized the need for additional resources to be made available to African countries to support diversification programmes, specifically for the development of what it termed infrastructural and support services and the development of information networks and related services for diversification. While there was also support for the establishment of an African Diversification Fund for galvanizing the technical assistance that was required and also provide additional finance for programmes and projects, the diversification fund was never established.

Liberalization, privatization and market-based reforms, pursued during this period, helped to improve the macroeconomic situation in countries that implemented adjustment programmes; for example, inflation rates fell markedly in those countries. Overall, however, the adjustment programmes had serious adverse effects on social conditions and failed to restore growth. Several reasons explain this outcome: return to growth is often slow and so uncertain that it prejudices attempts at dealing with critical social issues, in particular health and education; and very few African countries succeeded in attracting investments that would have supported accelerated and employment generating growth, in spite of improvements in the investment climate.

During the last two decades, African countries repealed old investment laws and introduced new ones that often offered huge incentives, in order to make their countries attractive destinations for foreign direct investment. Restrictions on foreign ownership were lifted and joint ventures encouraged as a principal form of doing business with overseas investors. In spite of the liberalization, the promised benefits failed to materialize. The rate of investments remained low and capital flight was significant; foreign direct investment was not only negligible, but also remained concentrated in a few countries and mainly in the extractive industries.

The poor economic performance of the period was also attributable, in part, to internal factors. Internal failings of governance marked by despotism and corruption, some of it associated with rent-creating economic policies, further aggravated the economic crisis.

Over the period of the 1990s, African countries made significant strides in the process of democratization. Popularly elected governments increasingly became the norm, rather than the exception. The Organization of African Unity (OAU) promulgated a number of declarations and decisions providing normative directions for democratic systems of government, the rule of law, freedom of speech and human rights. Significantly, it decided to exclude countries from OAU, unless changes in political leadership resulted from a democratic electoral process. OAU also took active steps to strengthen its conflict resolution and prevention capabilities.

Another notable development during the period was the flourishing of civil society, reflected in the growth of non-governmental organizations, including women's organizations. The evolution was hastened by the search for solutions to the African development crisis and the desire for an alternative and more participatory approach to development. Non-governmental organizations were also particularly active in mobilizing popular participation in the emerging democratic process, in the environmental protection movement and, in a few cases, in stimulating and participating in peace negotiations. Although the participation of organized civil society has gained widespread recognition in this democratic transformation process, its full potential is constrained by grudging government support in many African countries.

African Governments have been committed for years to enhancing economic cooperation at both the subregional and continental levels. Significant progress has been made especially at the subregional level, as is evidenced by the large number of subregional organizations, even at the cost of some duplication and overlap. The adoption of the Abuja Treaty in 1991 establishing the African Economic Community as the blueprint for economic cooperation and integration, just on the eve of the New Agenda, was thus a culmination of this trend, as is the recent launch of the African Union.

One of the goals set by the New Agenda was to fully integrate rural economies into their national context and to achieve food security. The record for the decade in agriculture was distinctly mixed. While North Africa made significant progress, there was stagnation in sub-Saharan Africa. An important reason for this disappointing outcome was the drastic reduction in budgetary outlays to agriculture by African Governments and the donor community, including international institutions, in the framework of the adjustment programmes of the period.

The issues of the human dimension of development, encompassing population, education, health and women in development witnessed mixed performance. Efforts in integrating population policies in development were intensified and there was increased awareness of population issues among the leadership of society, involving Governments and community, in the design and implementation of programmes. As a result of these efforts, over 35 countries have integrated population policies into their development strategies, more than double the number in 1990. The concept of population control has expanded from reducing fertility through family planning and limiting size to larger issues. Even so, the ecological and physical dimension of development remains a major problem for the future of Africa's development.

The past decade witnessed slight improvements in enrolment in primary and secondary education compared to the 1980s, which were marked by a decline. But the primary level enrolment growth has been insufficient to reverse the setbacks of the 1980s. Of course, there are significant intercountry differences in enrolment traceable to internal conflicts, economic difficulties and economic policies. In countries with adjustment programmes, Governments were forced to

drastically reduce already meagre education budgets and transfers to families. Moreover, the notion of free primary education for all virtually disappeared over the decade. In many countries the emphasis on basic education to the virtual neglect of higher education severely weakened capacity-building at critical levels in an increasingly knowledge-based world economy.

Throughout the 1990s, a number of major diseases (malaria, tuberculosis, poliomyelitis and increasingly HIV/AIDS) overwhelmed the health system in most of the region. At the same time, Governments cut already meagre health budgets and shifted much of the cost of care from the state to individuals. The inevitable result was a reduction of the capacity of many Africans to access any health care at all. However, as the recent report on the World Health Organization (WHO) Commission on Macroeconomics and Health has noted, poor health results in low productivity and poverty. A number of worthy initiatives were launched, including, most notably, the setting up by the United Nations Secretary-General of the Global Fund to Fight AIDS, Tuberculosis and Malaria. At the Extraordinary Summit of Heads of State and Government of the Organization of African Unity held in Abuja on 24 and 25 April 2001, African countries committed themselves to allocating 15 per cent of their annual budget to improve the health sector and devote an appropriate amount to fight HIV/AIDS. A "Roll Back Malaria" campaign was also launched. These efforts need to be sustained, intensified and coordinated to ensure their maximum effectiveness.

Considerable effort was made in pursuing the goal of integration of women in development. Women throughout Africa formed networks and partnerships to deal with every aspect of the issues significant to their lives. The result was that gender equality began to be taken into account in policy, programmes, and in administrative and financial procedures. All 53 African countries now have national action plans or policy directives on gender equality. More than 35 Governments have created ministries or commissions for women or gender affairs and 50 have signed the Convention on the Elimination of All Forms of Discrimination against Women. But problems persist in other areas. Girls' enrolment in school is less than half that of their male counterparts in most countries. Women's representation in decision-making bodies and parliament remains low. Overall, some progress has been made. But enormous gaps still remain to be overcome.

African Governments have adopted various measures to cope with the environmental degradation in the region. Most notably, these have included creating ministries of environment, introducing laws and regulations and designing environmental plans to mitigate environmental damage. Bilateral and multilateral agencies have complemented national efforts in strengthening institutional, managerial and technical capacity to implement sustainable development programmes. Nevertheless, the resources committed have not been commensurate with the risks at stake.

Cooperation between Africa and other developing regions was accorded priority in the New Agenda and recognized as a long-term undertaking that was potentially profitable for all involved. There has been a significant increase in the number, quality and scope of South-South cooperation over the decade of the nineties. This is especially the case with Africa-Asia cooperation activities, thanks, in part, to improved institutional support and networking among entrepreneurs made possible by the Tokyo International Conference on African Development and the mechanism of Asia-Africa Forums. Malaysia, the Republic of Korea and India have been particularly active in investment and various forms of technical cooperation arrangements with African countries. On a smaller scale, links have also begun to be forged between Africa and the Caribbean, while in Latin America, Brazil has led the way through cooperation initiatives covering a broad area. Several donors and United Nations agencies also undertook a number of initiatives aimed at promoting mutually beneficial links among countries in Africa and other regions, and disseminating best practices. While these developments are no doubt encouraging, the full potential of South-South cooperation is still by and large constrained by poor communications infrastructure and the lack of adequate follow-up mechanisms, especially with the Asia-Africa Forum exchanges.

Lessons learned and conditions for the success of new initiatives

In the view of the Panel, the vital lessons on the New Agenda experience and therefore the implied conditions for the success of any new initiative aimed

at promoting Africa's accelerated development include the following:

The first and foremost lesson from the decade-long experience must surely be that conflict and development are mortal enemies. The assurance of peace and security must therefore be the primary responsibility and highest priority of African countries, individually and collectively. Actions initiated by the Organization of African Unity (OAU)/African Union and the United Nations in this direction are to be commended and encouraged, but it is also the responsibility of the international community to actively support such peace efforts. Bilaterally, the leading industrialized countries have a responsibility to conduct themselves especially, but not exclusively, in the area of arms trading, in ways that do not undermine regional and international attempts at peace-building.

Far too many conflicts in Africa remain unresolved while others lie dormant, ready to flare up at any moment. Much more needs to be done by many parties involved with these conflicts, including Africans and non-Africans as well as public and private interests, with the United Nations playing a central role.

Second, international development cooperation in support of Africa's accelerated development will need to be based on a major revision of the dominant thinking that has guided multilateral and bilateral programmes in Africa throughout the past two decades. It is indeed a major lesson from the experience of both the United Nations Programme of Action for African Economic Recovery and Development and the New Agenda that the overriding reliance on liberalization, privatization and market-based reforms has distinct limits and has, in many cases, proved counterproductive in accelerating development and alleviating poverty. The Panel noted, in this connection, that the wholesale and uncritical adoption of this philosophy, including the minimization of the role of the state and the withdrawal of all forms of state support to local industry and agriculture by African Governments and by donors, while the developed countries continued such support by large transfers, now averaging about a billion dollars a day, served to undermine the region's development in several ways.

None of the countries that faithfully implemented market-based structural adjustment have progressed in the manner anticipated. During the lifetime of the New Agenda, poverty increased substantially, as did the disparities between rich and poor, while foreign direct investment flows failed to reach the levels required to fuel accelerated growth, even in the best adjusting countries. This helps to explain some of the scepticism that has greeted the poverty reduction strategy papers.

Every African country must evolve its own development strategy, based on a long-term vision. This should be based on policies for poverty eradication, emphasizing faster growth with structural transformation and also including those that directly target vulnerable groups of the population. African Governments need to develop partnerships first with their own people and then with the international donor community and the United Nations system. Domestic fiscal policies and systems would need to be continuously strengthened to enhance the levels of domestic savings and investment. But even at their best efforts, they would need to be supplemented through large flows of external resources.

For their part, donors and international financial institutions would need to do more than pay lip service to African ownership; they would need to allow space for policies designed by democratically elected governments working with civil society. Democracy is undermined if elected African governments have policies imposed from outside, leaving their democratic institutions without any real choices.

Third, commitments must be kept. This is a point that hardly needs to be reiterated. Africans have come to embrace improved standards of governance as a fundamental condition of economic development. Donors also have an obligation to deliver on the promises they make regarding financial support: accelerated and increased debt relief, including complete debt cancellation for countries with a track record of good policies and a transparent democratic environment; genuine market access for the produce of African countries; increased aid without conditionalities, save those that the countries themselves adopt as benchmarks for performance, within the framework of a negotiation process in which the countries' leadership is given primacy.

To this end, workable mechanisms should be developed for monitoring donor commitments just as is being done for African commitments. In both cases, monitoring is vital to assess progress, to determine whether the different parties are living up to their

commitments and to disseminate information in order to maintain public interest and awareness. An important condition for such monitoring would be the establishment of an agreed set of indicators.

Fourth, there is a need for sustained advocacy for African development. The United Nations deserves credit for consistently presenting the case of Africa in global forums and maintaining it on the international agenda. This Panel also commends the United Nations for its initiatives in the critical area of peace and security, particularly following the Secretary-General's landmark 1998 report on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318). The report contained many recommendations related to every aspect of conflict, direct and indirect, and progress has been made in implementing some of them.

Fifth, there is a need to increase the efficiency and relevance of the United Nations. Two major steps are proposed. First and foremost, the United Nations should be given the financial means to undertake activities in Africa. Reallocation of resources may be in order within the regional priorities of some agencies, but this would constitute a relatively minor change, so long as the global budget for the operational activities of the United Nations and its agencies remains so dishearteningly modest. Much expertise and knowledge is wasted, owing to the lack of the means to use them optimally.

In addition, cooperation needs to be improved. Within the United Nations system itself, it should be acknowledged that significant progress has been made in transforming traditional inter-agency competition into more constructive cooperation at the national and regional levels. This process must be pursued and the simplification and harmonization of procedures that are under way should be accelerated. At all levels — national, regional and global, the United Nations needs to mobilize its very limited financial resources and abundance of expertise in more coordinated and efficient ways.

At the national level, this means that the common country assessment and the United Nations Development Assistance Framework should be developed in cooperation, to meet the needs expressed by the countries in their national development strategies. African Governments thus have a critical leadership role to play in elaborating their policies and in securing coordination among all its partners at the country level to support these policies. In this connection, the Panel is of the view that the countries should provide the opportunity for the United Nations resident coordinator and country team to participate in the poverty reduction strategy papers consultative process, along with representatives of the Bretton Woods institutions.

At the regional level, the United Nations system needs to be better primed. The Panel welcomes the annual regional consultations of the agencies active in Africa under the auspices of the Economic Commission for Africa (ECA) and the encouragement given by the United Nations System Chief Executives Board for Coordination (formerly, the Administrative Committee on Coordination) in this direction. But the interaction of the individual United Nations agencies with regional and continent-wide initiatives would suggest that a lot more still needs to be done to curb inter-agency rivalries and make for greater policy cohesion.

At the global level, the United Nations advocacy role for Africa must be strengthened and must involve regular reporting to the General Assembly. Responsibility for the harmonization and consistency of United Nations mobilization on behalf of Africa should be placed under a single authority with the means to exercise it. The Panel also proposes the convening of regular joint meetings of the Economic and Social Council and the Security Council on matters relating to Africa.

The way forward

It was a responsibility of this evaluation to consider whether the New Agenda should be extended or if a new successor arrangement should be adopted. The Panel's view is that, given the welcome and general acknowledgement of the primary role of African ownership and leadership in the region's development, it would be logical and appropriate for the United Nations system to provide support for the region's own development initiative, rather than launch a parallel initiative either in the form of an extended New Agenda or a completely new initiative. The Panel further believes that the New Partnership for Africa's Development provides the framework for such support. In advocating this position, the Panel was guided by the following considerations and observations:

The New Partnership is an integrated and comprehensive framework for Africa's development, designed by African leaders themselves. Based on a diagnosis of the causes of Africa's slow growth and increasing impoverishment, it sets out a broad vision of the continent's future, outlines a strategy for achieving this vision and sets out a programme of action focused on a number of key priority areas. It provides the general framework of principles for sound economic policies and management, as well as for transparent and democratic governance. The countries participating in the programme commit themselves to pursuing policies that are informed by these general principles. But while no particular blueprint or development model is legislated for all countries to follow, regardless of their peculiar conditions, there is a proposed peer review mechanism through which the participating countries hold one another to account. In addition to providing a broad framework of principles to guide policies at the country level, the New Partnership also provides a forum for dialogue between African political leadership and the Group of Eight on global African development issues, including the issues of aid adequacy, trade access and debt relief. In the view of the Panel, participation in this dialogue can be broadened to include the United Nations Secretary-General, the President of the World Bank, the Managing Director of the International Monetary Fund (IMF) and the Secretary-General of the Organisation for Economic Cooperation and Development (OECD).

In recommending that the New Partnership be adopted by the United Nations system as the framework for its African support efforts, the Panel took due note of the fact that, as of the final stages in the preparation of this report, it is still an evolving process. In particular, the Panel noted that, while the initiative has won widespread endorsement by the international community, a great deal more needs to be done, not only to anchor it in a sufficient body of African consensus through intensive engagement with democratic institutions and civil society in Africa, but also to better clarify the Partnership's policy underpinning, so as to signal a clear break with orthodoxies that have failed in the past.

The New Partnership's potential also reflects its fragility. The all-important process of translating the aspirations reflected in a document into the realities of national or subregional policies remains to be implemented. Ownership can only take place on the ground, through the adoption of appropriate national policies. Yet the Partnership's charter also candidly acknowledges its substantial dependence on external assistance in order to realize many of its aspirations. Donors, from whom such assistance is sought, would need to play their partnership role in the New Partnership's framework with a renewed commitment to the assurance of African leadership and the avoidance of a return to old style conditionality that has been counterproductive in the past.

Among the key reasons for the New Agenda's lack of success was the absence of appropriate mechanisms for monitoring performance and ensuring that commitments were honoured. The New Partnership's proposed peer review mechanisms are thus a step in the right direction. At the political level, the African Union and the political subregional groupings are developing practical means to implement such reviews. At the economic level, peer reviews have to be depoliticized and conducted on an objective technical basis. At the request of the Partnership, ECA is developing criteria that will guide the reviews of economic and corporate governance. Peer reviews will require reliable indicators that national statistical offices and the United Nations system can help to provide.

Peer reviews already exist for the OECD countries within the framework of the Development Assistance Committee. The Panel recommends that these peer reviews, which are now mostly limited to aid policies and practices, should be broadened to include all policies having an impact on Africa, in particular those related to trade and agriculture and, further, that consideration be given to participation by African countries in these reviews when the impact of aid policies and trade practices in the countries is being discussed. The Panel recommends that the peer review mechanisms described for the donor countries should also apply to the United Nations system.

Mandate

1. The United Nations New Agenda for the Development of Africa in the 1990s was established by the General Assembly in its resolution 46/151 of 18 December 1991. A mechanism for the follow-up, monitoring and evaluation of the implementation of the New Agenda was contained in section II of the annex to the resolution. In its resolution 51/32 of 6 December

1996 on the mid-term review of the implementation of the New Agenda, the Assembly decided to conduct the final review and appraisal of the programme in 2002.

2. In agreed conclusions 1999/2, adopted by the Economic and Social Council at its substantive session of 1999, the Council requested that the Secretary-General commission an independent evaluation of the New Agenda that was to include recommendations for future action and consideration of successor arrangements. In its resolution 55/216 of 21 December 2000, the General Assembly stressed the importance of an independent and high-level quality evaluation of the Agenda. A 12-member Panel of Eminent Personalities, supported by a small team of senior consultants, was established by the Secretary-General to carry out this task.

I. Economic and political context

A. The global context

3. The United Nations adopted its New Agenda for the Development of Africa in 1991 at the onset of the most profound shifts in the global geopolitical environment since the end of the Second World War. The most dramatic event, the end of the cold war, held out the promise of a so-called "peace dividend" for Africa and the rest of the developing world, from the resources that were expected to be released by a reduction in the arms race. However, from the very beginning, there were concerns in many quarters that Africa would once again be marginalized in the reallocation of resources as the world began to focus on the reconstruction needs of the former Soviet Bloc countries of Eastern Europe.

4. In the area of development thinking and strategy, a new ideology also took hold. For more than a decade, the Bretton Woods institutions had been introducing economic reforms in sub-Saharan Africa under so-called "structural adjustment programmes", based largely on economic liberalization and the free reign of market forces. The disintegration of the Union of Soviet Socialist Republics led to the growing ascendancy of the "free market" over a "command economy" model. Despite the misgivings of some critics, who pointed to the enormous social costs of these adjustment programmes, the programmes, nevertheless found near-universal validation, as they were imposed throughout much of sub-Saharan Africa with the active support of most western Governments and the acquiescence of many cash-strapped African Governments. The rapid development of the "Asian Tigers" which, from roughly the same initial conditions that existed in the sub-Saharan countries, had achieved in the space of two or three decades, such impressive successes, was cited as further proof of the universal validity of the new orthodoxy. The fact that the so-called "Asian miracle" had been achieved with a political economic formula very different from the one prescribed for Africa was not widely noted.

B. The African context

5. Given Africa's tremendous diversity, a great deal of caution is necessary in any generalizations about the region. Political, economic and social conditions at independence, for instance, varied widely among countries and subregions, and the record of post-independence performance has equally been marked by differences in policy orientations and outcomes. Still, it is true that in almost every case, little had been done at the time of independence to create the necessary conditions for economic development, including in particular, the provision of physical infrastructure and adequate educational opportunities.

6. Notwithstanding such constraints, many countries achieved respectable, and in a few cases, even spectacular growth rates in the decade following independence. Unfortunately, the 1973 oil price increase and the subsequent slowdown of growth in the developed world had a particularly adverse impact on Africa. With population growth still accelerating, this meant a fairly significant drop in average per capita growth rates. As the United Nations Conference on Trade and Development (UNCTAD) rightly notes, "Africa, like many other parts of the developing world, failed to adjust to a more hostile external environment characterized by terms-of-trade deterioration, sharp increases in international interest rates, and stagnation and declines in net transfer of external resources, resulting from the turnabout in the policy stance in the major industrial countries."[1] Africa's dependence on primary commodity exports has remained overwhelming. Yet there has been no adequate flow of additional resources to offset the impact of terms-of-trade losses. Then, as now, the developed world was not prepared to guarantee price stability for the

commodities that poorer countries exported, nor to introduce a compensatory financing scheme for losses incurred when commodity prices fell.

7. Internal political factors further aggravated the effects of a hostile external economic environment. To begin with — and this is often forgotten — the newly independent southern African countries faced years of systematic destabilization by the South African Government until the first majority government of 1994. Elsewhere, in the region, political intolerance, dictatorship, and widespread corruption often associated with rent-seeking opportunities made possible by overvalued exchange rates, created a climate of instability, marked by violence, conflict and civil wars.

II. United Nations-New Agenda for the Development of Africa in the 1990s: background and objectives

A. Background: United Nations Programme of Action for African Economic Recovery and Development

8. The New Agenda was adopted in 1991 for reasons that are remarkably familiar today. As the United Nations Africa Group of the Organization of African Unity (OAU) summed it up, the New Agenda emanated from the failure of two previous international cooperation arrangements.[2]

9. The predecessor arrangements for the New Agenda had been launched with much optimism. In 1985, the grave socio-economic situation in Africa prompted OAU to call for a special session of the General Assembly to deal exclusively with the issue. As a preparation for the special session, the African Heads of State and Government endorsed an "African Priority Programme for Economic Recovery" to serve as the basis for deliberations of the General Assembly. The following year, the General Assembly held the first special session ever devoted exclusively to the problems of a single region. The result of those deliberations was the United Nations Programme of Action for African Recovery and Development. The language used to describe the Programme of Action has echoed throughout the years. It was "a unique compact between Africa and the international community. The African countries reaffirmed that it was primarily their responsibility to develop their own continent" while the international community was responsible for finding solutions to the many exogenous problems over which Africa has no control.[3] This was the first such programme ever adopted by the United Nations, and it created major expectations of better prospects for Africa.[4] For both Africa and the international community, the responsibilities assigned in 1986 have remained remarkably constant for the past 17 years, although several new areas now deemed to be critical to sustainable development have been added to the African agenda.

10. Important insights into the development challenges facing Africa were gleaned from the United Nations Programme of Action for African Economic Recovery and Development experience. Africa's efforts to provide significant funding through earnings from commodity exports faced the grim reality of plummeting prices on the world markets. In the very first year of the Programme, Africa lost $16 billion as a direct result of falling commodity prices. During the entire five-year period of the Programme, more than $50 billion of export earnings were lost. For any region, these are substantial sums; for Africa, where many Governments operate on smaller budgets than a mid-size American university, they are colossal. Regarding the other half of the new compact, net resource flows to Africa, in real terms, actually declined during the Programme's brief existence.

11. By the end of the so-called Programme of Action, Africa was more indebted than at its inception while earning a much-diminished income from an increased volume of commodity exports. As a result, gross domestic product (GDP) per capita was actually lower at the end of the Programme than at the beginning. In human terms, this was reflected in a regression in the living standards of most African countries, some of it dictated, ironically, by the new structural adjustment programmes then being introduced by the Bretton Woods institutions. The United Nations final appraisal of the Programme concluded that the negative social impact of these programmes can be identified as one of the major factors working against the achievement of the Programme's goals in the field of human development.[5] Poverty increased. Education, health, nutrition, employment and incomes all declined. Both "informalization" of national economies and the brain drain accelerated, with serious consequences for productivity, motivation and accountability. Budget

constraints led to the deterioration of basic infrastructure, making these countries even less competitive in the world market. Instead of the virtuous cycle that the Programme of Action had clearly anticipated, the continent found itself victim to a vicious circle that undermined the high expectations of the Programme.

12. An unfavourable external environment was responsible for much of this unhappy picture. But within Africa itself, problems festered. Natural disasters, often exacerbated by indifferent attitudes to environmental issues, affected many countries. Political instability, civil strife, military conflicts, weak institutions, corruption and, often, inappropriate policies, continued to be both cause and consequence of the poor economic performance of most countries. Both strife and natural disasters resulted in huge displacements of people, creating major new crises. It is true that many countries began to introduce economic and political reforms, most of which were necessary and proved later useful, but the lack of attention to the social and long-term implications of certain reforms and the lack of external support to reduce their social costs proved counterproductive.

13. In short, as acknowledged in the final review of the Programme of Action, the economic and social crisis facing the African continent since the early 1980s had continued unabated and only a few signs of recovery were noticeable, while the overall outlook was simply bleak (A/51/228, para. 1). In the face of these developments, the United Nations made the decision to establish Africa as one of its priorities in the 1990s.

14. Some United Nations Member States suggested that the Programme should be renewed for another five years, arguing that Africa's profound structural problems could not be resolved in such a brief period. Some donors were not favourably disposed to a new programme associated with specific commitments. Similarly, some Africans were not convinced that it was desirable to single out their continent. But in the end it was decided that a new beginning would convey a more fitting message. In late 1991 the General Assembly unanimously, and with a combination of hope and scepticism, adopted the United Nations New Agenda for the Development of Africa in the 1990s, which covered the period from 1991 to 2000.

B. The New Agenda: objectives and monitoring

15. The New Agenda, like all large-scale United Nations initiatives, was a document, which contained a number of compromises, born of long and intense negotiations. In many ways, it replicated the spirit and substance of the Programme of Action, even though one was a programme and the other an agenda. Like the Programme, the New Agenda was seen as a partnership, a compact, designed to meet Africa's vast development challenges. Once again, the African countries, the international community and the United Nations system each made commitments.

16. A distinguishing feature of the Agenda was the setting of specific goals that the partners implicitly committed themselves to meet: the overall objective was "an average real growth rate of at least 6 per cent per annum of GNP throughout the period of the new Agenda". To achieve that rate, it was estimated that a minimum net official development assistance (ODA) of $30 billion would be required in 1992, after which real net ODA would have to grow at an average of 4 per cent a year.

17. Africa assumed the primary responsibility for its own development. According to the priorities set by the Agenda, African Governments were responsible for the restoration of peace and social stability, for promoting democracy, achieving sustained growth and development, assuring equal opportunity in political and social life for women, implementing economic reforms for sustainable growth and development, pursuing subregional and regional integration, promoting democratic processes, overseeing the human dimensions of development, stimulating South-South cooperation, and enhancing the role of non-governmental organizations in the development process.

18. For their part, developed countries committed themselves to fewer, but more precise commitments: reducing Africa's debt, providing the amount of aid stipulated above, working in order to attain the accepted targets of devoting 0.7 per cent GNP to official development assistance, improving market access for African products, and providing support to African efforts towards economic diversification and integration. The United Nations system assumed responsibility for implementing programmes consistent

with the objectives of the Agenda, by mobilizing and devoting additional resources to Africa's development.

19. Throughout the decade, a host of international and regional action programmes as well as bilateral initiatives, were introduced in support of African development efforts, mostly without reference to the New Agenda. While they were all inspired by the same development strategy that underpinned the Agenda, their proliferation became problematic. There was little coordination, and African Governments, already overburdened and suffering from limited capacity, often found themselves overwhelmed in seeking to deal with such a wide range of initiatives. The United Nations itself inadvertently contributed to this problem. As Secretary-General Annan declared to the July 2001 session of the Economic and Social Council in Geneva: "Over the last decades, the United Nations system has been involved in so many African development initiatives that even I cannot remember what the acronyms stand for. Unfortunately, few if any of them have been effective."

20. Several of these initiatives are described in annex I to the present report. Among the programmes linked to the United Nations system and to OAU, worthy of mention are the UNCTAD Cartagena Commitment, the Programme of Action for Least Developed Countries for the 1990s, the World Bank's Strategic Partnership with Africa (formerly the Special Programme of Assistance for Africa), the United Nations Population Fund (UNFPA) strategy of assistance for sub-Saharan Africa, the International Monetary Fund (IMF) Africa Capacity-Building Initiative, the Industrial Development Decade for Africa, the Priority Africa Programme of the United Nations Educational, Scientific and Cultural Organization (UNESCO), as well as the OAU Abuja Treaty for the African Economic Community. In addition, specific actions in favour of Africa were identified in each of the global conferences of the 1990s.

21. The Global Coalition for Africa, created in 1991 to bring together officials and business people from around the world, was designed to keep Africa on the global agenda and to mobilize international support for investing in the continent. In 1993, Japan, working jointly with the United Nations and the Global Coalition for Africa, organized the Tokyo International Conference on African Development, to promote high-level policy dialogue among African leaders and their development partners. Its mandate was to enshrine a vision of African development that integrates the principle of global partnership based on equality among all development partners, and to promote African regional cooperation as well as South-South cooperation. The Africa Growth and Opportunity Act, which aimed at facilitating access to the American market for African exports, was subsequently introduced. The European Union continued to provide significant support to the African, Caribbean and Pacific (ACP) countries in many areas and initiated in Cairo a process of dialogue between Africa and the European Union on political and economic issues.

22. The General Assembly and the Economic and Social Council set up a detailed calendar to monitor the implementation of the New Agenda. The Secretary-General took several initiatives, including the setting up of a panel of high-level personalities to advise him on implementation. He appointed a Special Coordinator for Africa and the Least Developed Countries to closely monitor the New Agenda and to submit reports to both the Secretary-General and various arms of the United Nations on its progress. Finally, in 1996, he launched the United Nations System-wide Initiative for Africa as an implementing arm of the Agenda among United Nations agencies. OAU and the ECA were also asked to coordinate, monitor and report on progress from the continent.

23. The monitoring mechanisms faced two basic difficulties. First, the absence of many indicators related to the commitments made it difficult to highlight deficiencies and adopt appropriate measures. Second, there was a lack of suitable mechanisms to ensure that the Agenda was effectively translated into domestic strategies, as well as a disconnect, in many African countries, between Ministries of Foreign Affairs and economic and sectoral ministries. This deprived the evaluation process of first-hand information and the means to take appropriate action.

24. In evaluating the Agenda, the independent Panel considered its merits, the performance of African countries, donors and the United Nations, as well as the value of the commitments that were made. The Panel hopes that the lessons drawn will be of value to the United Nations when it establishes comparable programmes in the future.

III. Achievements in the priority areas of the United Nations New Agenda for the Development of Africa in the 1990s

A. Strategy and growth

1. Strength and weakness of the New Agenda development policy

25. The objectives of the New Agenda were ambitious, measured both in terms of anticipated GDP growth and the progress expected in the key components of economic and social development. The results have been disappointing.

26. During the life of the Agenda, poverty increased, as have the disparities between rich and poor. Eighty million people were added to the number of the poor in sub-Saharan Africa. Income distribution worsened, with the consequence that the poorest segment of the population was subjected to twice the average rate of decline in per capita incomes. Tens of thousands of jobs in the formal economy were lost. In many countries, health indicators are worsening, as Governments slashed health budgets and introduced user fees at health clinics and hospitals. Similarly, smaller budgets and user fees led to declining school enrolment.

27. What do these poor results say about the strategy for growth and development embodied in the Agenda and about the commitments to its success made by the Member States of the United Nations who unanimously endorsed it?

28. Building on the experience of the United Nations Programme of Action for African Economic Recovery and Development and drawing lessons from the implementation of the World Bank structural adjustment programmes and ideas from *The African Alternative Framework to Structural Adjustment Programmes for Socio-economic Recovery and Transformation*,[6] the Agenda presented a balanced and sensible framework for African development. In particular, it had the merit of focusing on a limited number of priorities, integrating political, social and economic components of development and underlining the importance of peace, democracy, and the involvement of non-governmental organizations and the private sector. Even if the expression "good governance" was not itself used, its components were spelled out. African States agreed, "to act in concert" in addressing the economic problems of the region. The international community accepted "the principle of shared responsibility and full partnership with Africa" and committed itself "to giving full and tangible support to African efforts".

29. These propositions were reasonable and were not challenged. So what went wrong? A central problem was the failure of the promised external support to materialize. Official development assistance declined instead of growing. Debt-reduction mechanisms had been put in place very slowly and yielded few significant results by the end of the decade. Trade opportunities increased far more slowly and erratically than anticipated.

30. However, in the many studies of Africa's economic performance over the past 20 years, the focus has largely been, not on the failure of international support, but on the internal reforms and macroeconomic policies pursued by Governments. African countries committed themselves to "persist with necessary reforms and pursue improvement of domestic economic management, including effective mobilization and utilization of domestic resources".[7] However, instead of designing and implementing their own policies for needed adjustment and reforms, most countries were required to adopt the World Bank, IMF and donor-supported structural adjustment programmes. In practice, few countries had a choice in the matter, since the acceptance of structural adjustment programmes was a condition for further loans from the Bretton Woods institutions, and such loans were themselves often a precondition for accessing other resources.

31. Structural adjustment programmes produced some positive results. Many Governments made significant headway in "getting the fundamentals right". In sub-Saharan Africa, where these programmes were mostly applied, there was a significant reduction in inflation from 35 per cent in the early 1990s to 14 per cent in 1999 but, as some predicted then, the programmes had a particularly trenchant effect on social conditions, even as they failed to restore growth.

32. Indeed, by the end of the century, despite many years of policy reform, barely any country in the region successfully completed its adjustment programme with a return to sustained growth. Moreover, the large

majority of countries that account for much of the faster growth in sub-Saharan Africa were not among the World Bank "core group of adjusters" five years ago, and most of the countries that were thought to be pursuing relatively sound policies at the time are not among the strong performers today.[8] The World Bank itself now acknowledges that it is not possible to demonstrate that countries implementing structural adjustment programmes showed superior performances.

33. At the core of the structural adjustment programmes was the idea that market forces would restore growth and secure optimum income distribution and that growth, in turn, would allow social goals to be realized. For market forces to operate fully, States should refrain from intervening in production and limit their interventions to maintaining macroeconomic equilibrium, conducting market-oriented reforms and securing the implementation of the new rules. Liberalization and privatization would liberate market forces and attract foreign investors. It is this set of hypotheses that proved to be misleading. First, the return to growth is often so slow and so uncertain that it precludes dealing with critical social issues, in particular health and education, thereby creating serious long-term problems. Second, market forces by no means automatically operate efficiently or assign priority to human factors. Third, despite meeting most conditionalities, moving towards "sound macroeconomic policies" and establishing an inviting investment climate, very few countries attracted the investment that was supposed to result. Moreover, national and local enterprises often found refuge in the informal sector in order to escape taxes. Yet, in the zeal for market-driven development, existing State-mediated mechanisms of capital accumulation were dismantled without viable alternatives being put into place.

34. The Structural Adjustment Participatory Review International Network (SAPRIN)[9], after a four-year process of consultation and research, concluded that the intransigence of international policy makers as they continue their prescription of structural adjustment policies is responsible for expanding poverty, inequality and insecurity around the world. Their effects, particularly on the poor, are so profound and pervasive that no amount of targeted investments can begin to address the social crises they have engendered. Only restructuring of the productive sectors through more appropriate public policies can ensure economic opportunities, resources and benefits to all segments of the population.[10]

35. In 1999, reacting to harsh criticisms of structural adjustment programmes, the World Bank and IMF introduced the concept of poverty reduction strategy papers. In principle, at least, the concept seeks to address the criticisms made above. First, it invites direct action in favour of the poor. Second, Governments take responsibility for its preparation, in cooperation with civil society. However, a condition of further debt reduction and loans is that it must be based on market-oriented strategies and it be approved by the Bank and IMF. The crucial questions of sequencing of reforms and of stimulating production and investment are presumably left to the countries themselves, but it would take a fundamental change in the culture of the Bretton Woods institutions and in the attitudes of donors to enable the countries to exercise that leadership.

36. The first conclusion of this brief review of the strategy embodied in the New Agenda is an obvious one: partners should honour their commitments. The second is that countries and regions should be allowed to design their own policies and, in so doing should be free to depart from the dominant wisdom of the day without incurring penalties for doing so.

2. Growth performance and prospects[11]

37. The New Agenda, as well as its mid-term review, advocated a growth rate of at least 6 per cent per annum throughout the 1990s in order for the continent to achieve sustained and sustainable economic development, increase incomes and eradicate poverty. Throughout much of the decade, however, the growth rate was far less than half of what was projected, as is depicted in table 1 below.

38. Performance varied widely among countries and subregions, which suggests that there is no reason why countries that have not succeeded may not succeed in the future (see table 2 below). Five countries have begun to grow "at rates which, if sustained, would achieve the target of reducing extreme poverty by half by 2015". Another 14 countries, "with a higher degree of political and macroeconomic stability ... are potentially in a position to 'take-off' within 15 years". And for the majority of countries that have avoided

Table 1
Real annual gross domestic product growth rate in Africa[a]

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
North Africa	3.4	2.0	2.0	0.5	3.9	1.5	6.5	2.6	5.6	3.9
Sub-Saharan Africa	2.5	1.8	-0.3	0.0	0.9	4.3	5.3	3.8	3.2	2.0

Source: World Bank, World Development Indicators 2001, Washington, D.C.
[a] Growth rates are calculated from regional aggregates of GDP constant (1995) dollars.

Table 2
Distribution of forty-eight African countries by real gross domestic product growth (number of countries)

Growth rate (percentage)	*1991*	*1995*	*1999*	*1999/2000*
Negative	14	9	12	7
0-2.9	13	7	9	20
3-4.9	6	14	12	16
5-6.9	8	7	12	3
7 and above	7	11	3	2

Source: Calculation made on the basis of the World Bank, World Development Indicators, 2001.

conflict, "there has been a general improvement in domestic economic management and prospects for faster growth have improved".[12] Still, as ECA points out, the sustainability of any recovery is "fragile" since it has not been underpinned by strong domestic savings and because Africa's economies remained highly vulnerable to external shocks and climatic conditions.[13] Generally good weather from 1993 to 1998 made significant contributions to agricultural growth, which averaged 3.7 per cent per annum. In other periods, drought, prolonged dry spells and floods have undermined optimism and raised doubts about the sustainability of raising crop yields in the continent.

39. Another salient feature of the period is the steep decline of revenue from both sales of agricultural commodities and from exports of industrial products. The deindustrialization of the 1990s resulted from trade liberalization and the decline of State-owned enterprises that constituted the major segment of large-scale industry. Industrial growth had become more dependent on agricultural growth either through backward linkages or through demands from the rural population. At the same time, however, support for the agriculture sector declined among both African Governments and the Bretton Woods institutions.

40. Much of the growth in the economies of Africa has thus come from the services sector, given the moderate growth in agriculture and the problems of the industrial sector. The contribution of services to GDP rose from 38.7 to 48.6 per cent, as shares of agriculture and industry declined from 22.3 to 19.5 per cent and from 39 to 31.9 per cent, respectively.

41. Much of sub-Saharan Africa suffered from inadequate domestic savings as well as inadequate accumulation and growth. Adverse terms of trade, declines in real commodity prices, and absence of ODA and foreign direct investment to supplement domestic savings were largely responsible for the low level of capital accumulation, which will make it extremely difficult to halve poverty by 2015. Only a few countries, such as South Africa, Botswana, Egypt and other North African countries were able to combine relatively rapid growth with rising domestic investment and savings. As a result, economic activities in most African countries continue to depend on conditions that are beyond their control, such as

external capital flows, commodity prices, and terms of trade.

42. Instead of increasing, ODA declined and foreign direct investment was concentrated in a very few countries (see sect. B.6 and C.1 below). African terms of trade in manufacturing were also subject to downward pressures. The volatility and extreme fluctuations in export prices led to a decrease in trade among commodity-dependent sub-Saharan countries and discouraged investments by creating future uncertainty. Africans faced very serious barriers in terms of access to northern markets and had problems capitalizing on those trade agreements that were favourable to them. They were slow to adapt national laws and regulations to improve national capacity in order to meet World Trade Organization obligations in respect of tariffs and quotas, anti-dumping and countervailing duties imposed on imports, unjustified sanitary and phyto-sanitary import restrictions, various production and investment subsidies for both agricultural and industrial production, and anti-competitive practices implemented by transnational corporations. These serious issues continue to present major challenges to most African Governments.

43. It is not surprising that the growth rate of 3 per cent attained by most African countries is less than that of other developing countries and is well below the growth rate necessary to attain poverty reduction targets set by the international community. Without a major reorientation of international and domestic policies, it will be impossible to improve the fortune of the continent. It is also clear that since Africa cannot generate adequate local resources needed to sustain growth and development, external resources are needed to supplement domestic savings.

44. From the foregoing, it is evident that very substantial amounts of new funding are needed for at least the next decade to propel the region into a faster growth path. Realistically, for the foreseeable future, a large measure of such funding must come from official external sources to stimulate savings and private capital flows. The grant element needs to be large enough to compensate for losses in terms of trade and dependence on primary commodities, labour and resource-intensive manufactures for export.

B. Africa's responsibilities and commitments

1. Peace and development

45. In the preamble to the New Agenda, it was stated categorically that: "Peace is an indispensable prerequisite for development." Yet, in 1998, the Secretary-General felt compelled to issue a major report on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318). The report, which contained a comprehensive analysis of conflict on the continent and an ambitious and far-reaching series of recommendations, received widespread attention. The reason was clear: despite increasing and sometimes successful efforts by Africans themselves aimed at conflict resolution, wars and conflicts in Africa, whether within or between States, continued to rage.

46. In 1991, the United Nations own analysis pointed out that a major factor that had hindered the implementation of the Programme of Action had been civil strife, intercountry conflict, instability and acts of destabilization. This situation continued during the years covered by the Agenda. Until 1994, it had been the deliberate policy of the apartheid government of South Africa to destabilize the entire region. But elsewhere, Africans themselves were responsible for the turmoil and disruption. Through the 1990s, while some conflicts were resolved, others flared. When the perpetrators of genocide in Rwanda were allowed to escape into the Democratic Republic of the Congo, then called Zaire, two successive major wars were triggered in the heart of Africa. Eventually, the second of the two, dubbed "Africa's First World War" or Africa's continental war, directly or indirectly affected almost a third of all the members of OAU.

47. Beyond central Africa, millions of people in every part of the continent also became the hapless victims of wars. In every case, a disproportionate share of already meagre national revenues were diverted to arms and conflict; the numbers of refugees and internally displaced persons grew to unprecedented numbers; neighbouring States were destabilized; and social and physical infrastructure, fragile and feeble at the best of times, steadily deteriorated.

48. According to the International Institute for Strategic Studies, there has been armed conflict of some form in three fourths of all countries in Africa

during 1999-2000, including those that were threatened by armed groups. The Institute calculates that, of the 25 civil wars being fought worldwide during that period, 11 occurred in sub-Saharan Africa. Of the 100,000 deaths caused by armed conflicts around the world, 60 per cent were in sub-Saharan Africa.[14] As of mid-2001, the United States Department of State listed 21 countries in sub-Saharan Africa as being affected by "latent or open hostilities". The Department estimates that (before 11 September 2001) of the world's 14 million refugees and asylum seekers, more than three and a half million were in Africa, while almost half of the world's 21 million internally displaced persons are Africans.[15]

49. Through 1999-2001, arms exports to the region nearly doubled. Total military expenditures amounted to nearly $11 billion. Excluding South Africa, spending on arms in sub-Saharan Africa increased by about 14 per cent at a time when economic growth rose by less than 1 per cent in real terms.[14] The large proportion of those arms came from Africa's key international development partners, the United States of America, Russia, France, the United Kingdom of Great Britain and Northern Ireland, all permanent members of the Security Council, as well as China (also a permanent member of the Council), Brazil and India. The United States, for example, supplied arms to eight of the nine Governments that have been directly involved in the war in the Great Lakes region.[16]

50. As stated in the report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa, there are many who profit from these conflicts and who may have little or no interest in stopping a conflict and much interest in prolonging it. Very high on this list are international arms merchants (A/52/871-S/1998/318, para. 14). Others who benefit include all of the warring factions, whether Governments, the military, or rebels, whose leaders typically enrich themselves by plundering the region's bountiful natural resources. Tragically, "Africa's resource endowment has often been diverted from being a development asset and transformed instead into a development liability".[17] In 1999, the United States Department of State described the impact of arms trafficking to the "politically fragile central Africa/Great Lakes region" as "catastrophic". Yet the analysis concluded that such trafficking would "continue unabated for the foreseeable future", since there was not sufficient "sustained political will on the part of the regional and international leaders" to halt it.[18]

51. As this statement demonstrates, Africa's partners understand the damage caused by the arms they sell to countries or factions at war. For their part, African leaders explicitly understand and repeatedly assert that the objectives of African development cannot be realized in regions where conflicts are taking place. They also know that, fairly or not, any conflict in Africa sullies the reputation of the entire continent. Both the United Nations and OAU have, with varying degrees of success, been involved in many conflict resolution and peace-building operations. The Organization of African Unity continues to strengthen its capacities in these areas while the United Nations has intensified its peace-building operations since the above-mentioned 1998 report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa. These greater efforts in peacekeeping, peacemaking and attempts at conflict prevention have so far borne some fruit, but there have been disappointments, as the evidence adduced in this section shows. As the General Assembly acknowledged in its resolution 56/37 of 4 December 2001, while some efforts have been made in the prevention and settlement of conflicts, such efforts have not often brought positive results.

2. Intensification of the democratization process

52. By adopting the New Agenda, African countries agreed to ensure accountability, transparency and the rule of law in their efforts to promote democratic processes and good governance. The Agenda committed them to involve civil society organizations, non-governmental organizations and women in political participation and decision-making. They were also expected to find lasting solutions to conflicts and civil strife.

53. African countries made significant strides during the 1990s in democratic transformation. A democratically elected legislature and executive became the norm towards which most countries were to aspire. Countries once afflicted by conflict and war have begun to take initiatives towards democratic government. OAU, charged by the United Nations with monitoring and implementing the New Agenda, adopted a series of normative measures to push African Governments into intensifying the move towards democracy as a prerequisite for sustained development.

54. Between 1991 and 1995, OAU promulgated a number of declarations and treaties providing normative directions for democratic systems of government, the rule of law, freedom of speech and human rights. The African Charter on Human and People's Rights, the African Charter for Popular Participation in Development and Transformation and the Cairo Agenda for Action all stressed good governance, peace, and popular participation as essential for sustainable development. OAU condemned all anti-democratic forms of accession to power and reaffirmed the rights of African people to participate fully in the process of governance. It decided to exclude countries from OAU unless changes in political leadership resulted from a democratic electoral process. By 1998, OAU had taken proactive steps to strengthen conflict resolution and prevention capabilities in conflict zones such as Burundi, Liberia, Rwanda and Somalia. An OAU Peace Fund was established as an effort to support subregional organizations involved in peacekeeping and conflict resolution.

55. Spurred by these initiatives and acknowledging their power to end the suppression of political freedom, lack of competitive politics and abuses of human rights that marked the 1980s, many African leaders took the decision to grant basic freedoms and liberties to their citizens. Over 30 countries have now made the transition from military or one-party rule to multiparty rule. Two remarkable landmarks in the political developments of the 1990s were in South Africa, where a democratic, multiracial election ended the apartheid system of government in 1994, and in Nigeria, where a democratic election in 1999 successfully ended 16 years of military rule.

56. Democracy, however, remains fragile in many countries. Moreover, there are major differences in the degree of democratization within each country. Over the past 10 years, 17 countries have experienced military coups and have endured wars that have killed millions and produced many millions of refugees and internally displaced persons.

57. Several United Nations entities have supported the efforts of African countries to democratize, that is: build capacity for decentralization and local governance; introduce standards for human rights and justice; strengthen the judicial framework; improve governance in economic management, audit and civil service reforms; and budget formulation and execution with a view to improving accountability and reducing corruption.

58. A democratic culture is not defined merely by the holding of periodic elections. It requires the creation of a durable and inclusive system of political representation, so as to accommodate different and often divergent interests. Citizens, non-governmental organizations, civil society and rural organizations, among others, must be empowered to hold Governments accountable. Compliance with the rule of law must be enforced. Governments must be transparent and accountable. The Constitution should be recognized and upheld as the ultimate source of authority, backed by an independent judiciary, informed and engaged citizens, a non-political military and free media.

59. These are very exacting standards indeed, and even in the most advanced democracies, there is more than the occasional derogation from their strict observance. In Africa, they are, arguably, even more exacting. Many African countries made major strides in the 1990s in developing a democratic culture and improving governance, but there are long distances yet to travel.

3. Involvement of non-governmental organizations and civil society

60. The New Agenda encouraged the increasing involvement of non-governmental organizations, both African and non-African, in various areas of development and as participants in the political process. African non-governmental organizations especially, it stipulated, should be involved in the mobilization and efficient utilization of domestic resources. (The concept and role of civil society emerged later in the 1990s.)

61. The 1990s witnessed a phenomenal increase in the number of African development non-governmental organizations and their emergence as actors on the African development scene. This evolution was hastened by the search for solutions to the African development crisis, the growing disillusionment with the performance of government as the mainstream development actor in Africa and the desire for an alternative and more effective approach to development. The international development community turned towards local non-governmental organizations, perceiving them as being close to local people and sensitive to the community values and environment in which they worked. They were also seen as flexible and participatory and without the bureaucracy and corruption of so many national

Governments. Non-governmental organizations were thus regarded as the solution to the problem of underfunded and sharply declining welfare in Africa, a situation that was formally confirmed in the Declaration adopted at the World Summit for Social Development, held in Copenhagen in 1995. The spread of democratic values in Africa, reflected in the transition from single-party or military rule to multiparty democracies in many countries, further improved the climate in which non-governmental organizations and civil society operated in Africa.

62. United Nations policies and programmes also helped increase the legitimacy of non-governmental organizations. Early in the decade, consultations with international non-governmental organizations concluded that such organizations had a significant role to play in development. From that point, their opinion was more regularly discussed. The Office of the Special Coordinator for Africa and the Least Developed Countries in the Department of Economic and Social Affairs of the Secretariat prepared and published a database of all African non-governmental organizations, by country and by subject, to facilitate contact with those that might be involved in particular projects. Their participation in global conferences strengthened their relationship with non-African non-governmental organizations, provided them with instruments for their activities, and gave them a de facto role in monitoring the decisions taken.

63. The international community increasingly empowered non-governmental organizations by channelling assistance through them. Already by 1995, prominent northern Governments were channelling significant amounts of funds not only through international non-governmental organizations but through African ones as well, which contributed immensely both to their growth and resources. It soon became clear to the donor community, however, that in reality not all non-governmental organizations were accountable, transparent, capable and responsible enough to fulfil their new role. Some were hardly organizations at all, others were ideological, rather than developmental, many were anti-government and many had little development capacity. Registering non-governmental organizations was introduced as a way of monitoring their activities and making them accountable and transparent.

64. Between 1980 and 1993, the number of development non-governmental organizations registered with the Organisation for Economic Cooperation and Development (OECD) grew from 1,600 to 2,970. By 1995, non-governmental organizations in consultative status with the Economic and Social Council had reached over 3,560 and, in 2000, had grown to 4,734. Thousands of others had not registered.

65. Initially, many African non-governmental organizations emerged as adjuncts of the international non-governmental organizations through whom they were linked to the international community. But increasingly they have enjoyed special patronage from various Governments of developed countries and the United Nations. At the same time, spurred by several United Nations conferences of the 1990s, non-governmental organizations have mushroomed, together with the emerging phenomenon of civil society groups, some pursuing issues of democracy and human rights, some providing health care and schooling and many committed to working with the poor. Most African organizations recognized the role of non-governmental organizations and sometimes sought their input. The consultations held by the Panel's evaluation team would seem to suggest that, while Governments and United Nations agencies insist that non-governmental organizations are virtual partners in their work, non-governmental organizations generally believe they are consulted only intermittently and not always seriously. Even so, the majority believe that their status is improving.

66. Some Governments, especially those more advanced in the democratization process, have genuinely promoted the participation of African and non-African non-governmental organizations in national development programmes. At their best, they have set up mechanisms for continuous consultations with the non-governmental organization community that is seen as a key partner in fostering community participation and implementing self-help programmes. Other Governments, however, with a narrower view of a democratic culture, still view non-governmental organizations with caution and suspicion.

67. African non-governmental organizations have always faced the related problems of inadequate funds and autonomy. Their credibility arises from their autonomy. They need to avoid the risk of co-optation by government that would cost them their credibility with their local clientele. To this end, the Office of the Special Coordinator for Africa and the Least Developed Countries has been active in helping to develop strategies for fund-raising for non-governmental organizations with a view to

diversifying their resource base and preserving their autonomy and performance.

68. The events of 11 September 2001 have created a climate in which the activities of non-governmental organizations will be scrutinized more scrupulously. Governments have a right to demand that they be democratic and accountable, and that they genuinely represent a constituency. If they meet those criteria and maintain their independence, then they are worthy of continued support from Governments, donors and others in the international community. More importantly, opportunities must be created for their effective participation in the democratic process.

4. Promoting regional cooperation

69. Greater continental integration and cooperation have been on the African agenda for decades. In the New Agenda, it was stated: "Africa is resolved to pursue with vigour the policy of achieving effective regional and subregional economic cooperation and integration ... [in order to] bring about effective transformation of its economies". The reasons are evident.

70. Africa is the world's most Balkanized continent, with 165 borders demarcating the region into 53 countries. Of these, 22 have a population of 5 million or fewer, while 11 have less than 1 million inhabitants. More than one third of African countries are landlocked and remote from external markets. Most African Governments have understood that, individually, they are incapable of addressing the challenges posed by economic globalization. Tiny and vulnerable economies are simply marginalized in the increasingly competitive global trading system. Africa faces punitive trading costs because of its poor transport and communications networks. Small economies are also most vulnerable to external shocks. Operating in national isolation is a deterrent to progress in such critical areas as capital market development, technology development (including information and communication technology) and attracting crucial investment. It also makes it almost impossible to develop high quality post-secondary education, to properly manage the use of transboundary waters, to fight water and air pollution, or to combat disease.

71. African Governments have been committed for years to enhancing economic cooperation at both the subregional and continental level. In 1991, just prior to the New Agenda, the Abuja Treaty was adopted establishing the African Economic Community as the blueprint for economic cooperation and integration. Today there are 10 subregional economic groupings in Africa, and every African country is a member of at least one of them. In fact, many countries are members of more than one such grouping, with overlapping jurisdictions, a situation that sometimes leads in practice to more confusion than cooperation. It may well be useful to belong to several groupings that offer opportunities for officials to meet and harmonize views, but not if they seek to establish different binding rules in the same domain (see graph in annex II).

72. Despite the large number of treaties mandating greater integration and cooperation, it is widely acknowledged that there has been a distinct lack of success in meeting this objective. Inter-African trade has remained minuscule, even if during the 1990s it progressed more rapidly than trade with the rest of the world (see table 3 below). Equally, anticipated progress in such areas as integrating transport and communications infrastructures, production facilities and national markets has, on the whole, been distinctly disappointing.

Table 3
Evolution of inter-African trade

	1980	*1990*	*1995*	*1999*
Share of inter-African trade in percentage of total African trade	3.1	5.9	7.6	7.3

Source: UNCTAD, *Handbook of Statistics 2001* (TD/STAT.26).

73. Responses to the questionnaire sent to African countries and United Nations agencies, as part of the evaluation, explain why most Governments, no matter however many subregional economic groupings they have joined, have shown little real political commitment to genuine cooperation and integration. First, the agreements achieved at high political levels to launch or to revitalize a subregional organization are rarely translated into action by the national bureaucracy. Second, countries have been quite reluctant to surrender any element of their formal sovereignty to a larger authority. There are, indeed, notable exceptions. Countries of the West African

Monetary and Economic Union and the Monetary Union of Central Africa have common monetary policies and the former has established a common external tariff. But subregional organizations have not received the authority to borrow funds to carry out projects and lack the resources to do so. Third, countries have not yet started to harmonize norms and rules that constitute obstacles to trade in goods and services.

74. At the same time, donors reiterate their interest in strengthening regional integration but point to the difficulties they face in spending the resources earmarked for this purpose. They argue that projects and programmes are concretely implemented in countries and, because of the lack of authority delegated to the subregional organizations, little money can be disbursed at this level.

75. This being said, some progress has been made. Certain regional organizations are more active than others and Governments have increasingly understood that some problems cannot be solved at the national level and have addressed them, often with the support of the United Nations organizations, at the appropriate subregional level. Thus, transboundary water management, water pollution, transit facilitation, and the fight against onchocercosis, malaria and HIV/AIDS have all been conducted in ad hoc geographical zones. In addition, besides their economic and technical activities, some subregional organizations have played a role in conflict resolution and peacekeeping. Questionnaires completed by United Nations agencies and entities gave many examples in these domains, some of which are documented in the 2000 progress report of the Secretary-General on the implementation of the New Agenda (A/55/350).

76. Generally, however, the overall situation remains disappointing. Almost a decade after the New Agenda and the Abuja Treaty were adopted, a number of factors continue to hinder effective regional cooperation and integration, including overlapping country membership in subregional economic communities, inadequate financing of the existing regional economic communities, lack of policy convergence and harmonization, and prevalence of conflicts in some countries and subregions. Institutional capacities are still weak and resources inadequate for the tasks ahead (A/55/350, para. 153).

77. Subregional cooperation is a practical way to construct African unity and to put in practice African solidarity. It is also an economic necessity. Virtually all the African Governments, even those that have failed to act, recognize the great cost of insufficient regional cooperation and integration. The international community supports it. OAU has decided to establish an African Union. The key obstacles identified above offer a set of clear priorities for future action.

5. Agriculture, rural development and food security

78. The goals set by the New Agenda were to fully integrate rural areas into the national economy and to achieve food security and strengthen self-reliance in food. These goals were to be achieved through increased agricultural productivity, appropriate distribution mechanisms, market schemes, credit systems and storage facilities.

79. In the evaluation of the New Agenda, it was noted that inadequacies in several critical areas, such as prices, research extension, access to inputs and resources, contributed to the meagre results achieved. Yet none of these areas was mentioned in the Agenda. On the other hand, the New Agenda did link food security and self-reliance in food production.

80. The record for the decade is distinctly mixed. While North Africa made significant progress, there has been stagnation in sub-Saharan Africa. Table 4 below provides some relevant indicators.

Table 4
Agriculture and food security

	1990	*1995*	*2000*
Agricultural production Africa	100.0[a]	112.8	128.8
Sub-Saharan Africa	100.0[a]	115.0	127.9
Food production per head	100.0[a]	101.6	101.4
DAC commitments to agriculture in US$ million	1 612	1 172	866
World Bank approved loans to agriculture in percentage of total World Bank loans	16.9[b]	9.8[b]	8.5[b]

Source: UNCTAD, OECD Development Assistance Committee, International Fund for Agricultural Development.

[a] Average 1989-1991.

[b] Respectively, 1989-1993, 1994-1998, 1999-2000.

81. The main causes for such disappointing results are readily apparent. During the last decade, despite the New Agenda, agriculture and food security were not a priority for African Governments, which assigned a declining proportion of their budget to agriculture, nor for the donor community, which drastically cut its contributions to that sector (see table 4 above). By contrast, aid to other developing countries for agricultural development slightly increased during the same period.

82. More tangibly, there was inadequate investment in agriculture, owing to the low commodity prices as well as the quotas, quality norms and calendar constraints that continued to impede exports of food products to European and North American markets. There were also obstacles to intra-African trade because subregional arrangements were not respected and quality and phytosanitary norms in Africa were not harmonized. This underlines the importance of two issues: policy coherence on the donor side, especially regarding aid, trade and domestic agricultural subsidies; and subregional cooperation in Africa, one of the major priorities of the New Partnership for African Development. While over the past 40 years, the share of all developing countries in the world agricultural market declined from 40 to 26 per cent, the share of Africa declined even more rapidly from 8.6 to 3 per cent. This indicates that beyond external constraints that impacted all developing countries, additional difficulties resulted from African policies or from natural disasters.

83. Under pressure from the World Bank and IMF, public support mechanisms for agriculture were dismantled. If the reasons were sometimes understandable, the changes left African peasants more exposed than in other continents to world market fluctuations, while the liberalization of imports exposed them to the competition of subsidized exports. Low international prices that were artificially maintained have a particularly damaging impact on food production in Africa where, the evidence shows, peasants react swiftly to price fluctuations.

84. The decline in research to about $1 billion a year today, one fifth of what it is in Asia (excluding China), explains why cereal yields in Africa remain about half of those in other developing regions; this gap will widen if research is not increased and its results disseminated. Nor can this task be left to the private sector alone; the small size of African markets make it unlikely that private firms will undertake the necessary research and extension investments.

85. The United Nations system, through the activities of the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP), the International Fund for Agricultural Development (IFAD) and the World Bank, contributed to projects and programmes addressing one or the other components identified in the New Agenda and in the assessment of the Programme of Action for African Economic Recovery and Development. The World Bank, unfortunately, as seen in table 4 above, reduced its involvement in agriculture, curbing its loans to production and infrastructure and concentrating on structural adjustment activities. The other institutions maintained or increased significantly the already high share of their resources devoted to Africa. Increasingly, they discussed policies among themselves and coordinated their efforts. Today they recognize that a more proactive programme of public and private investments is necessary, as well as simultaneous efforts on the different components of agricultural development.

86. The attention given to exports in the framework of the structural adjustment programmes helped to reduce attention to food crops. But food and export crops are not necessarily incompatible. Disseminating research on improving export crops yields can also benefit food crops. But efforts to increase exports should not deprive the poor of access to land.

87. Looking ahead, there are reasons for cautious optimism. First is the convergence of views noted above. Second are the commitments of Governments to time-bound targets to reduce poverty, which have brought renewed national attention to agriculture where, after all, most of Africa's poor earn their livelihoods. Third are the links, increasingly acknowledged, between food security and improved food self-sufficiency. Fourth, the relationship between poverty, hunger and health are today better recognized. Most of the poor are hungry and hunger is a proven obstacle to greater productivity, learning capacity, basic health; on the other hand, poor health affects learning capacity and productivity and therefore increases poverty. A recent report prepared by Jeffrey Sachs for the World Health Organization (WHO) entitled "Macroeconomics and health: investing in health for economic development — final report of the

Commission on Microeconomics and Health" makes exactly this point.

88. The United Nations system contributed to the popularity of microcredit schemes which have multiplied throughout Africa in the past decade. Both the successes and the failures demonstrate that improvization and weak monitoring lead to poor results that leave the poor poorer, while rigorously managed funds help to buy inputs and increase yields while giving renewed dignity to participants.

89. Agricultural production and food security were neglected priorities of the New Agenda. Strategies for increasing agricultural production and food security need to focus on several factors, all of which complement one another. This is a lesson gleaned from the disappointing results of the last decade. Achieving better results demands great care in the design of national policies, as well as sufficient resources, both public and private, from within and outside the country. Moreover, it calls for sustained attention and political will.

6. Investment promotion

90. The New Agenda contains three elements on investment. The first emphasizes the responsibility of African Governments to create the enabling environment to attract foreign direct investment, and to encourage domestic savings and investment. The second sets out the commitment of those Governments to promote private sector growth and development, while the third underscores the role of the international community in adopting measures and implementing programmes that would support policy changes in Africa designed to attract foreign direct investment.

91. The mid-term review of the New Agenda set out in detail what was expected of African Governments. They were required to improve their physical, institutional and social infrastructure, as well as implement specific measures to attract investment, encourage privatization and pursue vigorous investment promotion campaigns. In addition, Governments were urged to strengthen public and private partnerships and promote the development of small and medium-sized enterprises. In fact, the New Agenda and the mid-term review were recommending what many African countries had already undertaken in the 1980s and were pursuing in the 1990s.

92. Throughout the past two decades, African countries introduced new investment laws in order to make their countries attractive foreign direct investment destinations. Both the Foreign Investment Advisory Service of the World Bank and UNCTAD offered technical and advisory services to African Governments in their effort to liberalize their foreign direct investment policies. Old investment laws were repealed and new ones, which often offered huge incentives, were introduced. Restrictions on foreign ownership were lifted and joint ventures encouraged as a principal form of doing business with overseas investors. Existing regulations favouring the national entrepreneurs were scrapped and foreigners were welcomed on the continent, either as sole proprietors and/or investors, or as joint venture partners with Governments.

93. Approximately 300 bilateral investment treaties were concluded between African Governments and capital exporting countries. Typically, these treaties set out general standards for treating investment, the goal being to offer the foreign investor fair and equitable treatment, as well as national and most-favoured-nation treatment. Most of the African countries signed and ratified the Multilateral Investment Guarantee Agency treaty and became full members of the International Centre for the Settlement and Treatment of Investment Disputes. A large majority of countries signed the Convention on the Protection of Industrial Property and adhered to the New York Convention on the Recognition and Enforcement of Foreign Arbitration Awards.

94. The UNCTAD seminal work on foreign direct investment in Africa[19] remains the most important review undertaken on Africa's investment experience. In its conclusion, it is stated that "Africa is a continent with investment opportunities. Contrary to the common perception, judging from available data, foreign direct investment in Africa can be profitable and at a level above the average of that of foreign affiliates in two or three other developing country regions." In the same study, UNCTAD reviewed the policy reforms undertaken by African Governments. It concluded that they had largely introduced the liberalization demanded of them, but had failed to reap the promised benefits. The same conclusions remain valid today.

95. Throughout the 1990s, both UNCTAD and the World Bank continued to press African Governments to open up all sectors, including the key areas, such as

banking, insurance, petroleum processing and mining. The World Bank, more than UNCTAD, urged the abandonment of screening and approval processes for foreign investors and a transformation of investment centres into purely investment promotion agencies. Screening was seen as an unnecessary, bureaucratic hurdle that could be eliminated.

96. Under the general rubric of private sector growth and development, both bilateral donors and the Bretton Woods institutions urged African countries to privatize State assets/companies. But, privatization has not always worked and public and private partnerships have left many Governments with huge obligations, especially where such partnerships have failed. In some cases, large-scale privatization resulted in massive loans being concluded with the World Bank to bring State assets to saleable quality, which left the country with additional debts when privatization did not produce the desired results. Similarly, countries were encouraged to create export-processing zones. But notwithstanding all the incentives that were offered, foreign investors did not flock to these zones.

Table 5
Saving and investment ratios

	1973-1979	*1980-1989*	*1990-1999*
Saving ratio North Africa	30.4	27.6	20.5
Investment ratio North Africa	33.7	29.9	23.9
Saving ratio sub-Saharan Africa	19.3	13.6	14.5
Investment ratio sub-Saharan Africa	23.1	16.8	18.2

Source: UNCTAD, TD/B/48/12.

97. It was expected that structural reforms, privatization, and export-processing zones would lead to increased investment on the continent by both national and foreign entrepreneurs. But as table 5 above indicates, the rate of investments remained low. Throughout the 1990s, foreign direct investment inflows to Africa never exceeded $11 billion (1997). Africa's share of global foreign direct investment inflows is now less than 1 per cent.[20] Inflows to sub-Saharan Africa decreased from $8 billion in 1990 to $6.5 billion in 2000. The major recipients of foreign direct investment were Angola, Morocco and South Africa, although Botswana and Mauritius, which are small middle-income countries, succeeded in attracting regular flows of investments from a broad range of countries. It is also worth noting that South Africa has replaced the United Kingdom and France as the largest source of foreign direct investment to the rest of the region.

Table 6
Foreign direct investment in Africa

	1989-1994 average	*1995*	*2000*
Foreign direct investment to North Africa in millions of United States dollars	1 533	1 209	2 616
Foreign direct investment to sub-Saharan Africa in millions of United States dollars	2 419	3 485	5 582
Share of foreign direct investment to Africa in world FDI (percentage)	2.0	1.4	0.6

Source: UNCTAD *World Investment Report, 2001*.

98. As everywhere in the world, investments attract other investments and the link between the flow of investments and the political, economic and managerial situation is not as obvious as the textbooks would like it to be. Without a proactive policy of the States vis-à-vis national and foreign investors and eventually the creation of public-private joint ventures, investments may well not take off.

7. Diversification of African economies

99. The New Agenda had envisaged significant progress in the process of the diversification of African economies. It recognized the need for additional resources to be made available to African countries to support diversification programmes, specifically for the development of what it termed infrastructure and support services and the development of information networks and related services for diversification. There was also support for the establishment of an African Diversification Fund, which would "galvanize the technical assistance" that was required and also provide additional finance for programmes and projects.

100. Since the first Development Decade, diversification had been considered an important precondition for development. Diversification of agricultural exports was designed to reduce the impact

of price fluctuations, while the processing of the commodities produced was to retain added value in the producing countries. At the beginning of the 1990s, the need for diversification was as urgent as 20 years before. By 1992, real export prices of coffee and cocoa had fallen by 69 per cent since the early 1980s, palm oil by 49 per cent and sisal and cotton by 47 per cent. Minerals and forestry products fared better, but protectionist measures such as quotas or seasonal constraints in major markets kept out sugar, vegetables, oil seeds and temperate zone fruits. Africa's export growth had stagnated and there was good reason to adopt policies that led to the promotion of agro-industries and the development of new products for exports.

101. In 1993, a FAO technical report on setting up the African diversification fund envisaged in the New Agenda proposed an initial capital of $57 million to $75 million and the organizing of national diversification councils comprising government officials and representatives of the private sector and multilateral organizations. The African Development Bank was to host the fund and make grants of between $500,000 and $700,000 to enterprises over a three to four-year period.[21]

102. The diversification fund was never established. In the early 1990s there was no enthusiasm for the creation of ad hoc funds in the donor community, while the World Bank, too, had reservations. In its resolution 49/142 of 23 December 1994, the General Assembly asked that a "window" be set up in the African Development Bank (AfDB) for diversification purposes. A review of developments since then indicates that little was done to facilitate the setting up of the diversification window.

103. Between 1994 and 1996 there was no action on the diversification issue by either Governments or multilateral agencies. The mid-term review of the New Agenda addressed the issue to the Common Fund for Commodities and to other international agencies and entities, such as the Department of Economic and Social Affairs of the United Nations Secretariat, UNCTAD, the United Nations Industrial Development Organization, the United Nations Development Programme (UNDP), ECA, the World Bank and IMF. Meetings were organized, studies and country profiles elaborated and opportunities identified. Very few projects were financed.

Table 7
Diversification

	1980	*1990*	*1997*
Share of manufacture in non-oil exports	16.8	40.2	40.8
ODA commitments to industry, mining trade, tourism, in current millions of United States dollars	599	217	344

Source: UNCTAD, TD/B/48/12.

104. Table 7 above should be interpreted with caution. The increase of the share of manufactured exports in non-oil commodities during the 1980s reflects partly the fall of commodity prices and during the 1990s this share did not change, while commodity prices continued to decline. In conclusion, the progress observed during the 1980s was not sustained during the 1990s.

105. At the end of the New Agenda period, as the Panel discovered, diversification issues had not received the full attention of the international community as expected. Many African countries are mindful of the economic policies that must be embraced in order to facilitate diversification. They know that without the right policies on trade, credit, savings and investment, entrepreneurship and greater regional cooperation, there will be no meaningful diversification of their economies. Donor countries can improve investment guarantee schemes and make potential investment more profitable if they eliminate obstacles to imports. The institutional activities of international agencies are no substitute for real programmes and projects that directly assist African entrepreneurs. But above all, the lesson learned is that African countries themselves must set up the diversification fund, whether within the African Development Bank or outside it. They can then make full use of its services with support from partner countries in both developed and developing countries.

8. Population issues

106. The New Agenda recognized the close links that exist between population and development. Africa, it asserted, was committed to the deliberate and systematic integration of population factors into the development process in order to contain the tremendous strain and stress that a rapid rate of

population growth puts on development. In policy terms, this meant reducing maternal and child mortality, providing family planning, assuring female education and, in general, improving the overall standard of living for all.

107. In keeping with the recommendations of the Agenda and the perspective of the 1994 International Conference on Population and Development held in Cairo, the Dakar/Ngor Declaration called upon Governments to decrease population growth from 3 to 2.5 per cent by 2000 and 2 per cent by 2010; to increase contraception prevalence rate from 10 to 20 per cent by 2000 and 40 per cent by 2010; and to increase life expectancy from 45 to 55 years by 2000. In 1994, the African Population Commission was established under the joint OAU/ECA/ADB secretariat to develop policy guidelines on population and development.

108. The 1994 International Conference on Population and Development, its five-year review in 1999 and the proactive role of UNFPA are largely responsible for progress in integrating population issues into the development agenda. UNFPA, in collaboration with other United Nations entities, ECA, the International Labour Organization, UNESCO, FAO, WHO, and the United Nations Development Fund for Women, provided technical and financial assistance for knowledge of demography in Africa, research, training, and population policies. It raised awareness of population issues among the leadership of society, involving Governments and community in the design and implementation of programmes. In the process, it enhanced ownership and increased expertise at the country level.

- African population (millions), 1975: 455.9; 2000: 784.4; 2025: 1,092.6
- In 1995, contraceptive prevalence rates were below 20 per cent in all but 6 of 41 surveyed countries
- Malaria kills 1 million people each year. Countries with intensive malaria grew 1.3 per cent less per person per year and 10 per cent reduction in malaria is associated with 0.3 per cent higher growth
- Owing to AIDS, life expectancy is expected to drop by 15 years by 2010 in certain countries

109. In most countries, the campaign to link development and population was based on the adoption of a holistic new platform. It included enhancing gender equity and the empowerment of women, and it promoted the reproductive health and rights of women, the newborn and adolescents, including in conflict situations. In particular, it emphasized the integration of national population policies and national data systems into development planning to achieve basic social services for all. Lastly, it taught that adequate resources had to be mobilized to ensure the implementation of population and reproductive health packages, estimated to cost $21.7 billion over the next 20 years, with $17 billion coming from developing countries.

110. Advocates addressed a number of issues of relevance to the community: HIV/AIDS, female genital mutilation and girls' education, especially low enrolment and high drop-out rates. Coalitions and partnerships promoted population and reproductive health goals in Africa. Non-governmental organizations, civil society groups, the private sector, lawmakers and political leaders are working in concert with government agencies. Parliamentary groups and youth and women's groups have increasingly been involved in public advocacy. They have also focused attention on the media as the major channel for sensitizing and influencing public perceptions and attitudes. To this end, UNFPA makes efforts to interest conventional media in these issues, and has also fostered media networks so that they are broad-based and include traditional and folk media, the radio, television, the film industry, Internet service providers. Film festivals in South Africa and Burkina Faso have popularized films on population issues.

111. UNFPA has provided technical assistance to various countries in reproductive health, family planning, population strategies and advocacy. The aim of such assistance has been to build national capacity and contribute to the sustainability of national population programmes. In collaboration with ECA, it developed a prototype computer model for population, environment, development and agriculture, aimed at raising awareness of the policy makers and planners on the interlinkages of these issues and to promote an understanding of their relationship to women's reproductive health and household food security. This model has been successfully disseminated across Africa.

112. As a result of these efforts, in which some donors participated actively, over 35 countries have integrated population policies into their development strategies; this is more than double the 1990 number. The concept of population control has expanded from reducing fertility through family planning and limiting family size to larger issues. It is now understood that physical and institutional infrastructure and health facilities must be increased and improved. Although the mortality of children under the age of 5 is still far too high (140 per 1,000 live births), there has been a gratifying improvement, especially with regard to immunization programmes. The supply of reproductive equipment, contraceptives and drugs has increased, although it remains far from adequate. Male participation in reproductive health services has increased in many countries. Awareness of health, gender and poverty issues have vastly improved through seminars for parliamentarians which is helping to mobilize political support and to increase financial commitments to population and development providers from Governments, donors and the private sector.

Table 8
Population

	1961-1970	*1981-1990*	*1991-2000**
Life expectancy at birth	40.0	50.4	51.2
Total fertility rate by woman	6.77	6.17	5.27
Average annual population growth rate	2.55	2.76	2.45

Source: Department of Economic and Social Affairs, *World Population Prospects: the 1998 revision* (ST/ESA/SER.A/177).

* Estimates.

113. A good and comprehensive foundation for population issues has been laid throughout Africa. Population growth, at 2.45 per cent met the Dakar targets, an encouraging improvement over that of the previous decade. But even this level of population growth still outstrips GDP and growth in food production. As with most other indicators, the rest of the world has done better than Africa, which has the highest population growth rate in the world. HIV/AIDS, malaria and other pandemic diseases affect population growth and reduce the quality of work. The progress of appropriate population policies in Africa has been hampered by well known, deeply rooted sociocultural and religious traditions as well as illiteracy and inadequate resources to carry out the reforms and provide the services that are needed.

9. Human dimension

Education

114. The New Agenda contained little on education. Basic education was listed, as was female education. African countries were said to be "committed to the intensification of their efforts in human resource development and capacity-building and taking measures to arrest and reverse the brain drain". In fact, education at all levels and in all aspects was in crisis in most of the continent.

115. Since independence, low quality and limited access have characterized schooling in most African countries. At the primary level, enrolment improved until the beginning of the 1980s, when it began to decline. At other levels, the trend has displayed a slight improvement but still lags well behind other developing regions. The past decade has seen slight improvements at all levels over the 1980s, but primary level enrolment growth has been insufficient to reverse the setbacks of the 1980s. Africa has the highest rate of illiteracy of any region of the world. At the secondary level, gross enrolment rose modestly from 22.4 per cent in 1990 to 26.2 per cent in 1997; this can be compared to 1997 gross secondary enrolment of 51 per cent for other developing regions. Similarly, the tertiary gross enrolment rate increased from 3 to 3.9 per cent in 1997, compared to 10 per cent for other developing regions.[22]

116. All countries do not share identical indicators, although access remains a challenge in most. The imperfect available data indicate, that in 1996, 10 countries had universal primary education, but 17 countries with more than half the population of the continent had experienced a decline in gross primary enrolment since 1985. Differences can be explained by internal conflicts, economic difficulties and public policies.

Table 9
Education

	1970	1980	1990	1995	2010
Enrolment at primary level, North Africa	69	84	91	99	-
Enrolment at primary level, sub-Saharan Africa	48	81	76	75	74
Enrolment at secondary level, North Africa	24	41	62	64	-
Enrolment at secondary level, sub-Saharan Africa	7	15	23	22	-
ODA to education, commitments (in millions of United States dollars)	-	-	320	980	1 400[a]

Source: UNESCO and OECD, Development Assistance Committee.
[a] 2000.

117. Indeed in countries with structural adjustment programmes, Governments were forced to slash already meagre education budgets and transfer expenses to families. The notion of free primary education for all virtually disappeared over the past decade. Parents not only have to pay fees, but are also responsible for providing uniforms and textbooks. In some countries, it now costs 20 per cent of per capita income to send one child in a family to school.

118. Some long-standing characteristics of education in Africa still prevail, sometimes a function of meagre resources. Gender inequity, often of a glaring nature, persists at all levels and in more than 40 countries. Access to education is more difficult in rural areas than in urban areas. The quality of the education received also leaves much to be desired. Teachers are often poorly prepared, classrooms are crowded, buildings are shabby, facilities are unsanitary, curricula unsuitable and textbooks outdated. Teachers' salaries are too low and absenteeism is high, two not unrelated facts. The student-teacher ratio is one of the highest in the world.

119. In the face of such conditions, per capita public expenditure for education has declined. Yet it is estimated that Africa will have to build more than 150,000 schools a year and train about 200,000 new teachers a year merely to reach universal primary education by 2015; the question of quality is a separate one. The estimated cost is $3.6 billion. The costs of improving and expanding access to secondary, vocational and tertiary schooling are above and beyond this.

120. Difficult policy choices remain. Most African countries are committed to the goal of education for all, which emphasizes primary education at the expense of secondary, technical and higher education. Yet primary education alone is clearly inadequate for a world dominated by information technology. Skills training programmes are typically geared to formal sector employment, while the formal sector in much of Africa can absorb only a small minority of labour recruits. As noted in the section on regional and subregional cooperation, improvement of technical and higher education depends on the willingness of African countries to renounce the idea that each must have a full range of universities, and to agree instead on a network of high quality technical schools and universities.

121. Africa's development is further seriously constrained by the "brain drain", the emigration of trained skilled manpower from Africa to developed countries, where prospects of good jobs with good salaries seem more promising. According to ECA, 60,000 professionals of all types were lost through emigration between 1985 and 1990 and, since then, Africa has lost an average of 20,000 skilled professionals annually, which has dealt a grievous blow to the continent's development.

122. The problems of schooling are well known across Africa and much activity is devoted everywhere to dealing with them. Some countries have developed programmes extending new technology to all schools, to prepare students to cope with the global economy. Some are focusing on teacher education and others are determined to close the gender gap and eradicate gender discrepancies. Still others are trying to wipe out illiteracy and to strengthen mathematics and science education. Various donors and United Nations entities, led by the World Bank, the United Nations Children's Fund (UNICEF) and UNESCO, are assisting those countries by contributing about one tenth of the educational costs. United Nations agencies have developed strategies to support basic education in the continent's 16 lowest enrolment countries. Various bilateral donors and non-governmental organizations from the developed countries are involved in education reform. Many agencies also support adult literacy in those countries.

123. Major reforms are needed to redress the ills of the educational system. It is well known that achieving growth and poverty reduction depends on improved educational standards. What is called for is strong, gender-sensitive leadership, both at the levels of heads of State and ministers of education to move the issues forward. A comprehensive education policy includes improvements at all levels of the system and for all aspects of the system. This includes the continent's universities, many of which have deteriorated seriously, owing to budget constraints and conflicts. Creating an adequate and appropriate education system for the continent will take both will and resources. As in the health sector, it is an area where ODA is particularly needed and can be efficiently employed.

Health

124. Although the New Agenda had little to say on the specific subject of health care, it was widely known that Africa was facing a health crisis. The level of health and medical care had never been high. Most facilities were modest at best, supplies were inadequate, and qualified health care professionals were in short supply. Instead of a public health system that focused on prevention, sanitation, clean water, proper nutrition and education, most countries pursued the physician- and hospital-based medical model prevalent in developed countries.

125. Through the 1990s, a number of major diseases (malaria, tuberculosis, poliomyelitis and, increasingly, HIV/AIDS), overwhelmed the health-care system in most of the continent. During the same period, structural adjustment programmes forced Governments to cut already meagre health budgets and shift much of the cost of care from the State to individuals. Medical research dried up. The inevitable result was to reduce the capacity of many Africans to access any health care at all. Since, as the recent report of the Commission on Macroeconomics and Health has pointed out, poor health results in low productivity and poverty, this was a grave blow to development efforts. Diseases that are entirely preventable are instead rampant, reversing past development achievements in education, lowering labour productivity, threatening food security and putting a brake on economic progress. With the formal health system both prohibitively expensive and lacking equipment and personnel, many Africans abandoned it, reverting to traditional health systems.

Table 10
Health indicators

	1960-1970	*1970-1980*	*1980-1990*	*1990-1995*	*1995-2000*
Life expectancy at birth, North Africa	47.5	52.5	58.5	62.2	64.8
Life expectancy at birth, Africa	40.6	45.0	48.8	51.1	51.4
Infant mortality rate, North Africa	157	123	85	63	52
Infant mortality rate, Africa	148	125	105	94	89

Source: Department of Economic and Social Affairs, *World Population Prospects: The 1998 Revision* (ST/ESA/SER.A/177).

126. Given the growing incidence of HIV/AIDS and the growing incidence of old scourges such as malaria, tuberculosis and other infectious diseases, life expectancy and infant mortality indicators are beginning to deteriorate in sub-Saharan Africa. By the end of the decade of the New Agenda, the health situation in sub-Saharan Africa had actually worsened in many countries.

127. Diseases such as malaria and river blindness, associated with Africa's climatic and ecological conditions, continued to keep health poor and productivity low. Not only does malaria take over one million lives every year, but the economic costs are enormous. Studies done by the Centre for International Development of Harvard University and the London School of Hygiene and Tropical Medicine show that prevalence of malaria cuts the growth rate of effected economies by one percentage point a year. Countries with intensive malaria grew 1.3 per cent less per person per year. The studies concluded that Africa's GDP would be up to 32 per cent greater if malaria had been eliminated 35 years ago and that it would take only $1 billion to reduce significantly the disease in the affected countries.

128. Although other problems and diseases must not be neglected, the most severe health-care crisis stems from the scourge of HIV/AIDS, which is now the leading cause of death in sub-Saharan Africa. The pandemic threatens entire societies: the economically productive population, the social and economic fabric and the political stability of whole nations. The

magnitude of the crisis is overwhelming Africa's already weakened health-care system, creating millions of orphans and decimating health, especially of workers and teachers. Life expectancy is dropping or has already dropped by 10 to 15 years in some countries. Other development indicators, such as education and economic development, have been negatively impacted.

129. Although many bilateral and multilateral agencies and non-governmental organizations are working in concert with African Governments to address the pandemic, real progress has barely begun to be made and debates and arguments still revolve around such fundamental issues as access to essential drugs and the role of the pharmaceutical industry in stemming the HIV/AIDS pandemic. Although some heads of State have taken a personal interest in leading the fight against HIV/AIDS, some countries and many people remain in denial about the entire subject, refusing to discuss it openly.

- In 1999, 2.2 million adults and children died of AIDS in the region, while the global total number of deaths was 2.8 million.
- Of the 270 million cases and 1 million deaths due to malaria globally, 95 per cent occur in Africa.

130. Countless meetings and conferences related to the crisis in health care have been held. The United Nations Secretary-General has made a personal commitment to leading the campaign against HIV/AIDS in Africa, working with African Governments, bilateral and multilateral donors, individual businessmen, the pharmaceutical industries and foundations to put in place a global strategy to fight the pandemic. He has set up the Global Fund to Fight AIDS, Tuberculosis and Malaria. These funds are also to support and strengthen research into traditional medicine, since easing the burden posed in Africa by disease will require a very broad approach where health sector reforms go hand in hand with poverty reduction, conflict prevention and broad-based participation, especially by women.

131. It is symptomatic of the resources available to deal with this alarming situation that, while $10 billion was sought by the Secretary-General for the Global Fund to Fight AIDS, Tuberculosis and malaria, to date pledges from Government and private contributions amount to less than $2 billion. Total global health spending for HIV/AIDS in Africa in the 1990s has been just $70 million a year, which amounts to $3 per HIV-infected person.

According to the poverty reduction strategy paper of the United Republic of Tanzania, dated October 2000, an acceptable level of health care would cost a mere $9.00 per head per year. To reach that level would entail doubling the existing health sector budget, which cannot be afforded. It should be noted that, as is the case with many other countries, almost half of that country's health spending was financed by external assistance.[23]

132. In fact, health expenditures per capita in Africa in real terms have rapidly declined during the decade and reached their lowest value in 1999. At the Special Summit on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases of OAU, held in Nigeria in April 2001, African countries committed themselves to allocating about 15 per cent of their annual budget to improving the health sector and devote an appropriate amount to fight against HIV/AIDS. This would represent a dramatic change. So far, the recurrent and capital expenditure in the health sector has been less than 4 and 2 per cent, respectively, of total African Government expenditures. By comparison, in most western countries, which begin with vastly healthier populations and larger budgets, expenditures on health costs typically consume between 30 and 40 per cent of the total budget.

133. A large number of worthy initiatives have been launched to address this dire situation, against not only HIV/AIDS, but also malaria and tuberculosis, two diseases that are causing increasing numbers of deaths every year. It is not possible to mention all these initiatives, but it is notable that they often involve public and private institutions and that inter-agency cooperation within the United Nations system has become the rule. This is the case, in particular, with the International Partnership against AIDS in Africa and the "Roll Back Malaria" campaign.

134. While there are a large number of such initiatives and programmes, these efforts are barely adequate to keep the health crisis from spinning even further out of control. It is Africa's poverty and lack of education that is primarily at the root of most of its health problems,

and an unhealthy population makes development that much more difficult.[24] The interdependence between poverty, health and hunger, already underlined in section III.B.5, related to agriculture and food security, is confirmed by the experience of the health sector. Moreover, the financial resources to overcome the pandemics that affect Africa are beyond the reach of government budgets. It is here that aid is both critical and productive. The consequences that HIV/AIDS, tuberculosis and malaria will have on the rest of the world, if not conquered in Africa, add to the ethical reasons to help in this domain. Finally, although prevention must remain a priority, medical treatment is equally necessary to prevent the epidemics from deepening and becoming more difficult to cure.

Women in development

135. In the New Agenda, African countries committed themselves to "the integration of women in development" and to "ensuring equality of opportunity for women at all levels". While these goals can hardly be said to have been reached, some real progress was made in the subsequent decade.

136. Nine global conferences in the 1990-2000 period raised the awareness of the status of women and their role in development. Women throughout Africa formed alliances and partnerships to deal with every aspect of the issues significant to their lives. The result was that the rhetoric about "women in development" heard at the launch of the New Agenda in 1991 was soon elevated into a demand for organizational transformations to introduce effective gender mainstreaming. Gender equality concerns had to be taken into account in all policy, programme, administrative, and financial activities and in organizational procedures. These calls have awakened women's grass-roots organizations, human rights alliances, community-based coalitions, academic and research institutions and non-governmental organizations, all promoting gender mainstreaming and women's empowerment.

137. At least formally, African Governments have shown themselves ready to promote women's equality during the decade. All 53 African nations now have national action plans and policy directives on gender equality. More than 35 Governments have created a ministry or commission for women or on gender affairs. Fifty have signed the Convention on the Elimination of All Forms of Discrimination against Women without reservation. Some even have gender-sensitive constitutions. In other words, the mechanisms for promoting the advancement of women have been set up in most of Africa. Many Governments have also accepted a number of familiar targets, such as closing the gender gap in primary and secondary schools by 2005 and ensuring that women have at least 30 per cent of decision-making positions.

138. But the reality is not as positive as the formalities. Targets will not be met. Girls' enrolment in school is less than half of their male counterpart in most countries, and the gap will not be closed in the coming years. Only South Africa has women filling more than 30 per cent of the seats in Parliament. Enormous gaps in most aspects of life still exist between the genders, while discrimination against women is widespread. Over 70 per cent of the poor are women. Access to credit, employment and other means of reducing female poverty have barely begun to be explored.

139. Many United Nations entities, often led by the United Nations Development Fund for Women, along with other members of the international community, have been pushing the issues of women's empowerment. Using a rights-based approach, they have addressed gender inequality, economic justice, and an increased share of national budgets for gender issues. They have facilitated women's access to governance structures at all levels. They have developed leadership capacities in decision-making, are supporting crucial legal reforms, and have fostered the participation of women in peace-building and conflict resolution.

140. Much of the progress made by women in Africa has resulted from the various programmes advocated by women themselves to close gaps in all spheres of endeavour. In the movement towards democracy, for example, various civil society organizations helped to empower their members to select the best candidates for office and make female voices heard. Pending government legislation, dialogues have been organized by women for women on a variety of key development issues such as agriculture, health, and education. Women have increased their participation and representation in local councils. Women have trained women as leaders for participation in public life and in election processes in organizing, campaigning, fund-raising and communicating issues to voters. The Federation of Women for Peace, a regional network,

shaped an education for peace programme focusing mainly on non-formal institutions for peace. The Federation and other African women also played a role in negotiating for peace, in the reintegration of combatants, as well as in the rehabilitation of child soldiers in Burundi, Ethiopia, Mali, Mozambique, Rwanda, Sierra Leone, South Africa and Uganda.

141. Women in Law and Development in Africa (WILDAF), an association of women lawyers of 22 countries, brought together these groups to promote women's rights at national and subnational levels. It undertook a programme to eliminate violence against women in the home and to combat wife-beating and other abuses. Unfortunately, it cannot be said that this campaign did more than marginally reduce the problem. Violence against women, including wife-beating and the violation of young girls, remains a significant problem in many African countries.

142. Thanks in large part to their own efforts, women have made real progress in certain areas in the past 10 years. Some gaps have been narrowed, and a very few closed. But enormous gaps still remain to be overcome and progress translated into everyday life at the level of the individual.

143. For the large majority of African women, little has, in fact, changed in recent years. These women (and girls) continue to be regarded as unequal to men and are often treated as second class citizens in their own countries. They continue to suffer from overwork, inadequate education, few rights, cultural and religious biases, physical abuse, and a sense of little self-worth. Not only is this situation unacceptable but it is also, in development terms, counterproductive. Many of the reforms that Africa badly needs can be introduced at little cost. A change of values that recognizes the equality of women and their indispensability is high on the list of such reforms. This should include assuring women 50 per cent of all places in decision-making structures to mobilize their untapped potential in all spheres of development.

10. Environment and development

144. In the New Agenda, Africa committed itself to policies that would permit growth and development on a sustainable basis, to abide by the decision of the Bamako Conference in 1991 to ban the importation of toxic waste in Africa, and to use the framework for cooperation set by the Plan of Action to Combat Desertification. The international community was invited to provide support to arrest environmental degradation. The final evaluation of the Agenda had recognized that recent attempts to improve water conservation and reforestation had had limited results, owing to poverty, the pressure to export and a lack of knowledge, experience and resources for policy implementation, but these issues were not included in the Agenda.

145. The 1996 OAU evaluation of the New Agenda implementation continued to present a bleak picture of the environmental situation in Africa. Migration was high to the coastal areas of West Africa by people seeking employment, and the resulting increase in population densities had placed stress on the natural resource base. More and more fragile lands were being cultivated. Rates of land and water degradation were high. The assessment considered that the survival of the peoples of Africa was threatened by the loss of potentially productive land, emissions of greenhouse gases and the loss of genetic resources and biodiversity, due to inappropriate intense agricultural methods, deforestation and urban and tourist development.

146. The mid-term review of the New Agenda, from another perspective, pointed to poverty as the root cause of most environmental damage. According to the World Bank Africa Environment Group, "forests, wetlands and rangelands are being converted or degraded at rapid rates across much of Africa, with catastrophic consequences for the poor, who are losing their livelihood base. Some of these losses are due to mismanagement, others to purposeful changes in land use, but the poor are rarely the beneficiaries of these changes, and are often left without alternatives or compensation."[25] A similar analysis could be made about urban slums, where efforts by the poor to improve their habitat and to become integrated into the urban economy are threatened by urban speculation.

147. Stimulated by preparations for the 1992 United Nations Conference on Environment and Development, held in Rio de Janeiro and by increased awareness of the damage caused by environmental degradation, African Governments adopted the African Common Position on Environment and Development committing themselves to integrate environmental concerns into their sectoral policies. They created ministries or agencies for the environment. They consulted and sometimes worked with the burgeoning number of

environmental non-governmental organizations. At the end of the 1990s, unlike in 1991, the budgets of most African countries included a line item for the environment, but its share in the overall budget is small in budgets, so that Governments can really only introduce laws and regulations and design environmental plans. Projects and programmes are largely dependent on external aid and the good will of the business community.

148. At the regional level, ECA established the African Ministerial Conference to review progress in promoting sustainable development with the emphasis on the relationship between food security, population and the environment. This Conference adopted a new framework for regional, subregional, and national environmental policies, and its implementation is being facilitated by a Regional Coordination Unit for Africa hosted by the African Development Bank with support from the United Nations Environment Programme (UNEP).

149. Bilateral aid agencies complemented national efforts in strengthening governmental institutional, managerial, and technical capacity to implement sustainable development programmes and supported specific programmes as well. Although, unfortunately, it was not possible to gather statistics on external resources for the environment, at the end of 2001, it was clear that many of the programmes developed to combat desertification and improve water management were yet to be funded.

150. The 1992 Rio conference made the United Nations system aware that each of its agencies had a role to play in promoting good environmental practices. Annual reports on the implementation of the New Agenda indicate that such contributions have been made by UNEP, FAO, IFAD, UNESCO, the United Nations Industrial Development Organization (UNIDO), the Office to Combat Desertification and Drought, the World Meteorological Organization and others. Many African countries have signed international conventions, but during the consultations by the Panel's evaluation team, several expressed regrets that they did not receive enough support to implement those conventions. More bitterly, they pointed out that many donor countries failed to sign conventions of particular importance to Africa, such as the Convention to Combat Desertification.

151. The final impression obtained as a result of the evaluation is that, based on the work of non-governmental organizations, in particular, there exists heightened awareness throughout Africa of the threats to the continent's future of continuing environmental degradation, but that the resources available are not commensurate with the risks at stake. Moreover, vested interests and land speculation continue to ignore good environmental practices with consequent environmental degradation that also further impairs the livelihood of the poor. In turn, of course, the poor have little choice but to resort to activities that cause further environmental destruction.

C. Responsibilities and commitments of the international community

1. Resource flows/official development assistance

152. The commitments made by donor countries when they unanimously endorsed the New Agenda were clear. Substantial resources were needed to achieve sustained annual growth of at least 6 per cent per year over the course of the 1990s. A minimum of $30 billion in net ODA was required in 1992 to sustain this level of growth. Beyond 1992, real net ODA would have to grow at an average of 4 per cent each year to meet Africa's development needs.

153. Two additional major undertakings were recorded. The international community reaffirmed its commitment to work to attain the traditional but elusive target of 0.7 per cent of GNP to ODA as well as the targets in the Second United Nations Conference on the Least Developed Countries. Donors also pledged to pursue efforts to provide additional resource flows to the continent to complement domestic efforts and resources. The commitment to pursue such efforts was unequivocal and the objectives to be reached were precise.

154. Data on ODA have been collected by many international agencies. Basically, the figures reveal the same general picture. Not only has there been a significant fall in ODA in both nominal and real terms, but as well Africa's share of total ODA has declined. The other commitments in the New Agenda on development aid, such as the target figure of between 0.15 per cent and 0.2 per cent of the GNP of the OECD/Development Assistance Committee countries' aid to the least developed countries, were similarly not met. In their responses to the questionnaire, donors did not offer explanations for this development, but the

various factors are well known. Partly it was the pervasive belief in donor countries that much of the aid they were dispersing was wasted through corruption, conflicts, and incompetence. This led to so-called "aid fatigue", exacerbated in some countries by the public misperception that aid budgets were many times more generous than was the case. Moreover, it was a period of budget slashing in many developed countries, and foreign aid was often one of the prime victims.

155. Aid flows from multilateral institutions have also been declining, due in part to declining revenues of international funding agencies such as UNDP and the targeting of aid, especially to the poor, through non-governmental organizations.

Table 11
Official development assistance to Africa: disbursement in United States dollars, 1999

	1990	*1995*	*2000*	*Percentage change 1990-2000*
Development Assistance Committee ODA to Africa	17 946	11 787	10 781	-40
(Development Assistance Committee ODA to sub-Saharan Africa)	(12 881)	(9 257)	(8 495)	(-34)
Multilateral ODA to Africa	7 153	7 650	5 288	-26
Other donors	3 523	131	310	-91
Total	**28 620**	**19 568**	**16 379**	**-43**
Percentage of total ODA to developing countries	44.0	36.7	31.2	-30

Source: OECD/Development Assistance Committee.

156. The aggregate decline in ODA obscures some good news. A few African beneficiary countries actually experienced an increase during the period from 1989 to 1999. This is somewhat puzzling, considering that some of those countries also experienced internal instability during the same period and did not comply with the conditions set for receiving aid. Details can be found in the progress report of the Secretary-General for 2000 (A/55/350/Add.1, table 5).

157. Most of the international institutions and bilateral donors have in the course of the past decade introduced different forms of conditionalities into their aid packages. A range of policy reforms has been required, particularly in the area of governance and democratization, environmental sustainability, economic management and aid performance. At the same time, the composition and delivery of aid has been changing in recent years, with a new public focus now put on poverty reduction and the role given to non-governmental organizations and civil society groups in delivering aid to Africa. The World Bank's Comprehensive Development Framework, the IMF Poverty Reduction and Growth Facility and that organization's switch to poverty reduction strategy papers from the old Policy Framework Paper may signal a new era of aid negotiation and delivery.

158. Coordination and consultation mechanisms have been put in place that facilitates dialogue among bilateral and multilateral donors and with Governments. In some countries visited during the evaluation exercise, the poverty reduction strategy paper is now the aid coordination mechanism. If and when the poverty reduction strategy papers take root in most of Africa, they may very well become the main coordination mechanism for poverty reduction, a development that has merit if the poverty reduction strategy paper is indeed owned by the countries. In some countries, the impact of the United Nations Development Assistance Framework goes beyond the coordination of United Nations assistance. In others, arrangements such as the Strategic Partnership with Africa initiative of the World Bank are used to improve the aid negotiation and delivery process. Depending, among other things, on the personalities responsible for each of these mechanisms, one or the other plays a dominant role.

159. African countries reported that while they welcome the above changes, they are still burdened by the aid delivery process. Different donors with different accounting standards and conditionalities demand too much of Governments whose civil services are often weak and overburdened. The task of coordinating aid agencies at the country level now occupies a significant amount of time of top government officials who are constantly being pressed to approve aid packages or projects without due political or technical consideration. Many officials were simply tired of the aid process and, not

unreasonably, were sceptical that the targets set by the international community in the New Agenda or the Second United Nations Conference on the Least Developed Countries would ever be met.

160. Similarly, on the donor side, self-interest, conflict of interests, and the inefficient use of aid were mentioned several times during the evaluation. But a new and more positive perspective is beginning to take hold. At the International Conference on Financing for Development held in Monterrey, Mexico, in March 2002 the leading industrialized countries indicated a willingness to increase their foreign aid levels. Although these commitments fell short of what is required to break the cycle of African poverty, it is a good and promising start. If these commitments are honoured and the resources provided to support country-owned strategies and programmes in the framework of a new partnership, they will make a difference in the fight against poverty.

161. The Panel views increased aid as an important condition for breaking Africa's cycle of poverty. The Panel firmly supports the call by the Secretary-General for a doubling of aid, and believes that increased aid flows in support of policies designed to raise the efficiency of investment and increase investment in human and physical infrastructure could act as a catalyst for greater domestic and foreign savings. This would reduce the region's resource gap and eventually its dependence on aid. In other words, aid should be driven by the requirements of recipients, rather than the ideological agenda of donors.

2. Debt alleviation

162. Africa's external debt burden has been at the centre of much of the international debate on debt alleviation. In the 1980s, the debate was centred on liquidity issues. The argument was made that, even though the international impact of the debt crisis at the time was more a Latin American phenomenon, debt was having a devastating impact on African countries as well.

163. In the 1990s, the concerns about Africa changed to one of insolvency by African Governments. The international community had to face the fact that the traditional debt relief mechanisms conceived in the 1980s to alleviate the commercial debt, such as the Baker (1985) and Brady (1989) Plans, did not work for Africa, where debt was mainly public. Paris Club rescheduling under the Toronto Terms (1988) to the HIPC Initiative did not alleviate the severe payments difficulties that many African countries were experiencing.

164. It is against this background that one must consider the central place given to the solution of Africa's debt problem in the New Agenda. When the Agenda was adopted, the Group of Seven had just agreed on the London Terms that went beyond the Toronto Terms, and expectations were high that the unsustainable debt overhang of Africa would be reduced.

165. For almost five years after the adoption of the New Agenda, no other initiatives were taken to improve the existing mechanisms. The African debt situation became steadily worse (see table 12 below). In 1996, the Joint Ministerial Committee of the Board of Governors of the World Bank and IMF set up the HIPC Initiative. The objective was to reduce the debt stock of the 41 poorest countries, of which 33 were in Africa. In the following year, a report submitted to the General Assembly recommended that debt-servicing payments from Africa should not exceed $9 billion and expressed concerns about the mounting commercial debt.

Table 12
African debt

	1990	*1995*	*1999*
External debt of North Africa in billions of United States dollars	68.5	99.6	89.3
External debt of sub-Saharan Africa in billions of United States dollars	176.9	235.3	216.3
Debt service to exports for sub-Saharan Africa	12.9	15.3	13.9

Source: UNCTAD, TD/B/48/12.

166. The spate of activity between 1996 and 2000 on the debt issue is well documented and does not need repetition, but a few facts should be highlighted. While African countries were obviously eligible for HIPC relief, conceptual and so-called technical difficulties associated with issues of sustainability and eligibility meant that only a few African countries actually benefited. First, the World Bank did not change the specifications for sustainability. Second, the World Bank stressed the need for eligible countries to have qualified for the IMF Enhanced Structural Adjustment Facility and the Bank's own structural adjustment programmes for at least three years. Again, United Nations entities such as UNCTAD and ECA criticized this heavily and noted that the eligibility criteria for

HIPC relief constituted additional conditionalities for prospective borrowing countries.

167. By 1997, only two African countries had met the eligibility criteria: Uganda ($338 million) and Burkina Faso ($115 million). In 1998, eight new countries qualified for assistance. It was becoming clear that the eligibility criteria were too stringent and, at the same time, some potential beneficiaries were not inclined to accept conditions that bonded them too much. Finally, in September 2000 in Prague, IMF and the World Bank decided to streamline the eligibility criteria. The aim was to get as many countries as possible to the "decision point", at which actual debt servicing is suspended. From September 2000 to April 2002, 18 African countries had met decision point requirements.

168. While the Enhanced HIPC Initiative (HIPC II) has offered broader and faster relief, progress is still slow and, to date, only six countries in sub-Saharan Africa have completed full poverty reduction strategy papers. Serious criticisms continue to be heard. In his report on recent developments in the debt situation of developing countries (A/55/422), the United Nations Secretary-General described the HIPC process as both "cumbersome and costly" and urged that debt relief be linked to additional development assistance. Ministerial meetings under the auspices of both OAU and ECA have adopted statements and resolutions on the cancellation of all bilateral debt to the poorest African countries. International and African non-governmental organizations have launched unprecedented initiatives attacking the approach of the Bretton Woods institutions and demanding debt cancellation for poor countries. Individual African Governments have expressed their preference for across-the-board debt relief and for greater flexibility in the operations of HIPC II. Although important progress has been made in the modalities of HIPC II, there is a growing recognition that a great more would need to done to free the process from a lingering preoccupation with macroeconomic stability and low inflation and the hangover effects of existing structural conditionalities. This will help to relieve the growing sentiment in African circles that the poverty reduction strategy papers process does not represent a clear break with the past.

169. There is a pressing need for deeper debt relief, including total cancellation for the poorest countries, greater flexibility in the form and content of the poverty reduction strategy papers, and more ODA for countries that demonstrate a clear commitment to sound domestic policies in a transparent and accountable democratic environment.

3. Market access

170. Market access issues in the New Agenda were set out under the sections on commodities and trade. Under the commodities section, the international community undertook to ensure that imperfections in commodity markets were corrected and that there would be a balanced and successful conclusion to the Uruguay Round of trade negotiations. The international community recognized the importance of compensatory financing schemes and promised to examine how to improve them and how to foster cooperation between producers and consumers of commodities. In order to boost African exports, the international community committed itself in the trade section to reduce tariff and non-tariff barriers that affect the exports of African countries, particularly for processed, semi-processed and manufactured goods.

171. The mid-term review of the Agenda set out the responsibilities of African Governments, donor countries and international organizations in achieving the above-mentioned goals. African countries were to improve their physical, institutional and organizational capabilities in order to enhance their trading position, improve their trade facilitation procedures and build supply capacity. Donor countries were to remove tariff and non-tariff barriers and offer improved Generalized System of Preferences schemes, especially to least developed countries. International institutions were to offer technical support to African countries, not only on trade in traditional exports but also on diversification.

Table 13
Export performance of Africa

	1980	*1990*	*1995*	*2000*
African exports in percentage of world exports	4.6	2.3	1.6	1.6
Terms of trade of agricultural commodities (1970=100)	110.9	84.5	87.5	67.8

Source: UNCTAD, TD/B/48/12.

172. At the end of the New Agenda, however, the picture remains grim (see table 13 above). The continent's share of world exports and imports has

declined. The export composition confirms the continuous dependency of Africa on commodity and oil exports. Commodities made up 26.6 per cent of the total exports, while oil accounted for 54.7 per cent and manufacturers 18.4 per cent. Terms of trade that had improved in the 1970s boom declined during the 1980s and 1990s, with the exception of a short-lived interval between 1993 and 1996. At the end of the 1990s, the terms of trade were 24 and 21 per cent below those of the 1970s for North Africa and sub-Saharan Africa, respectively.[26] An UNCTAD study estimates that if the continent's terms of trade had remained unchanged throughout the 1990s, the net resource gain could have raised the investment ratio in Africa's non-oil exporting countries by nearly 6 per cent per annum.

173. The causes of the decline of export earnings have to be tracked not only in the deterioration of the terms of trade, but also in the insufficiencies of supply. Export capacity in many countries in Africa is not as strong as it was in the 1970s and the region is losing its competitive edge, especially to Asia. There is a serious lack of capital technology and efficient infrastructure in transport and communications that would have facilitated the production and distribution of goods and services at competitive levels. An UNCTAD study on utilization rates for the Generalized System of Preferences schemes showed that rates tended to be higher for non-African countries than for African ones, which was attributed to poor export capacity in the African States. Consultations with African Governments on these matters showed that they were aware of the need for national action to boost export development, so as to take advantage of the benefits of liberalization and globalization in international trade. Some optimism was expressed that the subregional economic groupings in Africa, by offering sufficiently broad markets and pooling together national financial, technical and human resources, as well as production capacities, would reduce the transaction costs and risks that now deter individual enterprises in many African countries from entering the export business.

174. The trade policies of the developed countries have offered mixed blessings to the continent. The United Nations Secretariat has estimated that industrialized countries that spent $182 billion in 1995 to subsidize their own agricultural sector spent double that amount in 2000, a figure that exceeds by 10 times the total amount of the ODA they disbursed the same year.[27] Today, two years later, that figure has increased to an estimated $250 billion. At the 2001 World Trade Organization meeting in Doha, African pressure resulted in the inclusion in the final declaration of a promise by industrialized countries to phase out all forms of subsidies. The Panel believes that the United Nations system, and especially UNCTAD, should remain engaged with the African countries in the continuing dialogue on the Doha agreements. In the meantime, the real situation of Africa has to be recognized and each country allowed to properly phase in liberalization and the development of competitive productive capacities.

175. There have been improvements in the Generalized System of Preferences schemes and other trading arrangements by developed countries. The European Union concluded the Cotonou Agreement with its African, Caribbean and Pacific partners in June 2000, offering improved market access for agricultural and manufactured goods. This was supplemented with the "Everything but Arms" initiative launched in March 2001. These developments are important to African, Caribbean and Pacific countries, whose share of the European Union market declined from 6.7 per cent in 1976 to 2.8 per cent in 1999. For the United States of America, the African Growth and Opportunities Act, 2000, offers additional tariff preferences to 34 African countries, eligible under conditions. Until 2008, they would enjoy unlimited duty-free and quota-free access to the United States market for a wide range of products, including textiles and apparels. Already those few countries that have been selected have seen an increase of their exports on the United States markets. On 1 April 2000, Japan instituted a duty-free and quota-free import regime for some goods, but the country retains restrictions on agricultural products. Canada has further reduced the tariff on 570 items from least developed countries but high tariffs still exist for textiles, shoes and sugar.[28]

176. The international institutions have collaborated to provide assistance to Africa in capacity-building on trade matters. For example, UNCTAD, the International Trade Centre (ITC), UNDP, the World Bank, IMF and World Trade Organization have all worked together towards this end within the Integrated Framework for Trade-related Technical Project and the Joint Integrated Technical Assistance Programme. The European Union Export Business Advisory Service Project has been in operation for two years and offers

assistance directly to entrepreneurs in Africa who manufacture for export.

177. In spite of such commendable support, the key constraints to market access for Africa continue: the prevalence of non-tariff barriers in developed countries, the existence of tariff peaks, the subsidies that impede the export of African agricultural products, unclear interpretations of trade-related aspects of intellectual property rights that would prevent poor African countries access to affordable medicines, exemptions from trade related investment measures set for implementation by the World Trade Organization in 2003, and full and effective implementation of the obligations under the Uruguay Round Agreements.

D. South-South cooperation

178. Cooperation between Africa and other developing regions is perceived as a long-term undertaking potentially profitable to all participants. But thus far, it remains a modest endeavour and was affected at the end of the decade by the financial crises that successively afflicted Asia and Latin America.

179. Increased ties between Africa and other underdeveloped regions of the world have been on the development agenda for many years. Although over the years various projects linked Africa to Latin America and Asia, such relations remained marginal when the New Agenda began life. One of the aspirations of the promoters of the Agenda was that this area would attain greater priority through the 1990s, since, according to the Agenda, Africa was determined to intensify South-South cooperation which Africa was convinced was an indispensable element for the success of the new Agenda for international cooperation. Some donor countries, particularly Japan, and many United Nations agencies, shared this conviction, and over the decade a large number of initiatives were launched aimed at creating mutually beneficial links among countries and regions of the south. UNDP, UNIDO, FAO, UNCTAD, ECA and ITC all contributed to this thrust. The UNDP Special Unit for Technical Cooperation among Developing Countries has provided assistance to African countries to stimulate increased technical and economic cooperation among countries in the region and countries in other developing regions.

180. Asia has been the most promising source of South-South and interregional cooperation. Africa-Asia cooperation now benefits from a well-established institutional support. It began with what proved to be the first in the series of the Tokyo international conferences on African Development, and was followed up from 1994 onward by a series of Africa-Asia Forums that adopted the Bandung Framework for Asia-Africa Cooperation: Working Together Towards the Twenty-first Century. In recent years, United Nations agencies have facilitated encounters that have mainly focused on investment and trade opportunities. Among developing Asian countries, India, Malaysia and the Republic of Korea have been the most proactive in these areas.

181. Minor links have been forged between Africa and the Caribbean, while within Latin America it is mostly Brazil that works at enhancing its ties to the continent. But Brazil's African connections are still quite modest and are focused primarily (though not exclusively) on its Portuguese-speaking countries. Brazilian cooperation covers a broad range of domains: health with particular focus on HIV/AIDS, agriculture, adult literacy, education, public administration and the environment. Interestingly, some links were created between the Southern African Development Community (SADC) and the Southern Cone Common Market (MERCOSUR) region of Latin America.

182. From consultations in Brazil, Malaysia and the Republic of Korea some positive and negative factors were identified that will have to be kept in mind if South-South cooperation with Africa is to be reinforced. These are:

(a) Institutional support for South-South cooperation is helpful. It exists in some Asian countries and is being further developed;

(b) Triangular cooperation involving a donor country, an African country and a country from Latin America or Asia has proved to be helpful. The donors provide the funds and the Asian or Latin American partner provides the technical expertise. Donors should more systematically participate in such arrangements, as the experiences of more advanced developing countries are often more helpful to Africa than those of industrialized countries;

(c) Encounters organized in Asia by United Nations agencies or programmes to establish links between African and Asian entrepreneurs lacked

follow-up. Once back home, African entrepreneurs too often failed to maintain the connection, partly because of the poor state of telecommunication systems in Africa. It is suggested that representatives in Africa of the organizing agencies and programmes include in their work programme follow-up assistance to the African entrepreneurs;

(d) This problem of communication, along with complaints heard both in Asia and Latin America, that transportation to Africa is deteriorating, underlines once more the importance to African development of proper infrastructure.

E. Response of the United Nations system to the New Agenda

183. In order to assess the contribution of the United Nations system, a questionnaire was sent to the 25 major entities and specialized agencies, 17 of which responded. In addition, the World Bank provided notes on several priorities of the New Agenda and IMF statistical tables. The replies to the questionnaire, plus interviews, with senior officials of those organizations and field representatives of funds and programmes, constitute the basis for the assessment that follows.

184. On substantive issues, the New Agenda called upon United Nations entities and specialized agencies to:

(a) Devise specific programmes consistent with the elements of the Agenda;

(b) Devote adequate resources for their implementation;

(c) Give particular attention to programmes that would foster economic integration and cooperate with regional and subregional organizations;

(d) Provide inputs for the continuous assessment of the implementation of the Agenda.

1. Devising specific programmes

185. At the Secretariat level, inter-agency consultations were held on how the United Nations could implement the New Agenda. As of 1992, a comprehensive plan for Africa was submitted to the Committee on Programme and Coordination that was not deemed satisfactory. A revised plan, approved in 1994, was used in the preparation of the United Nations System-wide Initiative for Africa. In 1992, some agencies were prepared to develop specific programmes and drew the attention of their governing bodies to the priorities of the Agenda. The responses to the questionnaire indicate that no organization finally adopted programmes in response to the Agenda as such. Rather, the agencies judged that their programmes were consistent with the themes of the Agenda and pursued their activities as decided by their own governing bodies. Interviews revealed that they reverted to their existing programmes when it became clear that the Agenda included no additional resources. This does not mean that they no longer paid attention to Africa; some already had dedicated units, others created such units in the course of the decade, and all had several programmes of relevance for Africa. However, it raises the question of whether the implementation of priorities decided by the General Assembly is conditional on including additional resources, or requires the reallocation of existing resources.

186. The agencies were asked to indicate the share of their resources that went to Africa at the beginning and at the end of the period covered by the New Agenda. The answers were not as precise as expected and gave a mixed picture. Several entities increased their contribution to Africa or maintained it at levels above 40 per cent. Others, however, reduced their contribution or left it at levels below 20 per cent. These data must be interpreted with caution, as some entities report on the external contributions they received for projects or programmes, others only on their regular budget. But it remains the fact that the evolution of expenditures in Africa was influenced by the earmarked contributions of the donors, who, therefore, have an important responsibility for the evolution observed. This calls for consistency in donors' decisions, a theme that will again be addressed in section 5.

187. But the agencies have responsibilities as well. The question of allocation of resources in favour of a priority region or issue surfaced at a consultation of agencies active in Africa organized by ECA in the autumn of 2001. It was argued that, when such priorities are established, United Nations organizations should adjust their regular budgets accordingly and try to attract additional resources for them by having their governing bodies adopt appropriate criteria for resource allocation.

188. During the 1990s, all United Nations organizations made significant contributions to Africa. These contributions are noted in section III.B above, in the annual reports on the implementation of the New Agenda and in the questionnaires received. What matters for the future is that United Nations agencies accumulated experiences and drew lessons from failures and successes alike. Becoming more aware of the interdependence between the diverse components of economic, social and political life, they recognized the merits of sharing experiences and building joint programmes. Today, the United Nations has developed an understanding of both the diversity and the specificity of the difficulties faced by African countries and is developing flexible responses that are based on accumulated experience, rather than on excessively rigid schemes. Yet this wealth of understanding is not being adequately exploited, as very little money is channelled to Africa through the United Nations and its specialized agencies. This is particularly important when a rather homogenized view of Africa and, certainly, of structural adjustment priorities has emerged since the 1980s.

2. Contributing to regional and subregional integration

189. The importance of economic integration was underlined in the New Agenda. Subregional institutions and organizations appeared to be natural partners of United Nations entities and agencies. As for the bilateral agencies, the United Nations system was well aware that many problems could be addressed efficiently only in a subregional context and most organizations developed ad hoc subregional programmes and/or cooperated with some of the subregional institutions. Those frequently mentioned are the Economic Community of West African States, SADC, Monetary Union of West Africa and the Common Market for Eastern and Southern Africa.

190. Actual projects and programmes, however, are implemented at the country level and depend on agreements between the national Government and the responsible Organizations. This has limited subregional activities to the conception and monitoring of programmes and to the training of the staff of the subregional institutions.

3. Assisting in the monitoring of the New Agenda

191. The General Assembly adopted the New Agenda with the dismal fate of the Programme of Action for African Economic Recovery and Development in mind. It decided that, with the Economic and Social Council, it would devote throughout the decade a series of sessions designed to sustain the interest in the New Agenda of all the actors involved. The Secretary-General would provide an ongoing assessment of the implementation of the New Agenda and make relevant recommendations. The hope of the General Assembly was that a continuous assessment of Africa's performance in the areas outlined in the Agenda would have a great impact in maintaining the momentum within and outside Africa and, eventually, for renewed commitments to the agreed objectives and targets.[29] The monitoring process took place as foreseen, but without the desired results.

192. As requested, the Secretary-General reported and made recommendations. The reports were prepared by the Office of the Special Coordinator for Africa and the Least Developed Countries, which was especially created for the follow-up of the Agenda and the Second United Nations Conference on the Least Developed Countries, with contributions from all the appropriate United Nations entities and specialized agencies. These reports contained a wealth of detailed information on projects and initiatives undertaken by the African countries, the donors and the United Nations system. But, as with many reports compiling information provided by interested parties, they gave the impression that many activities were being implemented in conformity with the Agenda, even if they rightly pointed to the failure to meet growth and ODA targets. The lack of indicators attached to the Agenda's goals and policies, with the exception of growth and aid, did not permit precise monitoring of the implementation of the Agenda by any of the actors involved. Changes in the structure of the reports and the lack of regularly updated data and indicators deprived readers of a clear picture of where progress was achieved and where problems were being encountered.

193. Stronger reports could help to better monitor progress and to indicate more clearly where responsibility lies. They could provide arguments in multilateral or bilateral negotiations and help in mobilizing public opinion, but reports of themselves,

however strong, will not compel actors to respect their commitments.

194. In support of the implementation of the New Agenda as well, the Secretary-General was also asked to contribute to effective public information to raise "awareness of the economic crisis in Africa".[30] The Department of Public Information of the Secretariat continued to publish *Africa Recovery*, which had originally been launched at the start of the Agenda. A newsletter of reporting and analysis, it highlighted Africans' efforts to overcome the many challenges they confronted while donors reneged on their commitments in the areas of aid, debt and trade. Broadly disseminated to non-governmental organizations, government offices and the media, *Africa Recovery* offered a message of hope which, while welcome, could not by itself restore the external image of the continent.

195. Raising international awareness of Africa's acute economic and social difficulties was one of the achievements of each of the global conferences and summits that marked the last decade. This led to the adoption of specific measures and commitments by the international community.

4. Improving inter-agency coordination

196. Attempting to coordinate the activities of the highly complex United Nations system has been a perennial challenge to the Organization. At the African country level, the United Nations coordination mechanisms are centred on the resident coordinators' system, with the aim of harmonizing programmes and facilitating the interface with Governments. This is achieved through the common country assessment and the United Nations Development Assistance Framework. The Framework is a strategic planning and programming mechanism that identifies common challenges and responses of the United Nations system for greater impact. It is based on the common country assessment, which is a collaborative assessment of the national development situation, as well as needs and priorities. As will be seen, the coordination of United Nations activities is also dealt with through thematic groups and country teams which are attempting to develop a new working relationship based on better use of the competency of different agencies to address the priority concerns of African countries.

197. Besides United Nations coordination mechanisms, it is worth noting the poverty reduction strategy paper, the comprehensive development framework, and the country assistance strategy, which are the key instruments for guiding the work of the Bretton Woods institutions in Africa. Although only three years old, 35 African countries are involved in the poverty reduction strategy paper process.

198. At the regional level, United Nations coordination is carried out through the annual regional consultation of the United Nations agencies working in Africa. In order to enhance the coordination of their work, it was decided that the United Nations System-wide Initiative on Africa be used as a mechanism for coordinating their activities. The Panel will look more closely at the Initiative below. Coordination at the regional level is also being addressed through ECA mechanisms such as the African Development Forums, the Big Tables and the Subregional Development Centres. A number of United Nations organizations and agencies have regional and subregional offices in Africa, as well as subregional programmes, and are working with regional and subregional organizations in their area of competence.

199. At the global level, the role of the Office of the Special Coordinator for Africa and the Least Developed Countries is to mobilize international support for the development of Africa and least developed countries through global advocacy. It monitors issues relating to African development and prepares briefing notes on the latest developments in Africa. In New York, the Office prepares reports on Africa for submission to the Committee for Programme and Coordination, the Economic and Social Council and the General Assembly and provides substantive servicing to these bodies in their deliberations on Africa, thus facilitating intergovernmental debates and negotiations. In its advocacy role, it analyses various issues and trends relating to African development and promotes dialogue involving African countries and least developed countries, with their development partners. Throughout the period of the New Agenda, the Office prepared reports to the General Assembly on progress in its implementation.

200. The Office of the Special Coordinator also acts as the secretariat for the interdepartmental and inter-agency task force charged with the follow-up to the recommendations of the 1998 report of the Secretary-General on the causes of conflict and the promotion of

durable peace and sustainable development in Africa. In this capacity, the Office prepares annual reports to the General Assembly, based on inputs from the United Nations departments and agencies of the United Nations system. That report links the developments in the political, peacekeeping, peacemaking, human rights, humanitarian, social and economic, as well as the development aspects in the particular situation of Africa. This interaction is particularly important in the African context, where conflicts remain one of the major causes of lack of development.

201. Behind this simple and formal description are attempts to enhance inter-agency coordination, an issue as old as the United Nations itself. With the campaign led by some countries to streamline the United Nations and reduce its budget, talk of coordination became threatening to many. At the beginning of the 1990s, agencies and entities were fighting for their survival or to avoid severe budget cuts, and in order to protect their territory they jumped on any issue supposedly cherished by the main contributors, such as the environment and then poverty. At the country level, territorial protection and flag-waving led to duplication of efforts and wasted resources. The situation greatly improved thanks to the pressure exercised by two Secretaries-General for greater cooperation among the organizations of the United Nations system with the support of the United Nations System Chief Executives Board (CEB), formerly the Administrative Committee for Coordination, and thanks to the preference of aid agencies for projects or programmes involving competent institutions. The United Nations System-wide Initiative for Africa was instrumental in concretizing this attitude in Africa.

At the regional level: United Nations System-wide Initiative for Africa

202. The United Nations System-wide Initiative for Africa was an initiative of the Secretary-General. It addressed two related concerns, namely, the lack of implementation of the New Agenda and the marginalization of Africa in a world where all other regions were making progress after the lost decade of the 1980s. The Initiative document, prepared with the help of ECA and UNDP, confirmed the goals and priorities of the Agenda and placed special emphasis on subregional cooperation. It indicated that $25 billion would be necessary to achieve the objectives set. Unfortunately, there was no unchallenged economic calculation behind this figure and even less commitment from potential contributors to pay up. As with the New Agenda, when it became clear that the Initiative offered no additional resources, interest in it quickly dwindled, although not as dramatically as for the Agenda. For the Initiative brought two essential elements to the table: a practical mechanism for inter-agency cooperation, the thematic groups, and the participation of the World Bank that had so far largely ignored the New Agenda.

203. The thematic groups brought together agencies with complementary competence on a given issue to exchange experiences, harmonize views, and develop programmes and projects that they could cooperatively implement. Not all the thematic groups worked, but some progress was achieved in a number of countries in the areas of education, health, governance, and information and communication technology. From its failures and successes, a few lessons emerge for future inter-agency cooperation, as follows:

(a) Clear indication by the senior management of the institutions of strong support for inter-agency cooperation is necessary but not sufficient. The analytical or operational staff of each agency also have to be convinced of the quality and commitment of the teams of the partner institutions. If the staff are not convinced that cooperation brings added value, the concept does not work. There is no lasting cooperation for the sake of cooperation;

(b) The themes around which cooperation is developed should be chosen by countries at the national level or by African countries at the regional level. This would provide an unchallenged purpose, as well as ensure that the recipients appreciate the outcome;

(c) The agencies that agree to cooperate on a given theme must designate a lead agency. This agency must exercise strong leadership, which means that it must devote the required resources;

(d) Seed money facilitates cooperation, such as, for example, when the Norwegian Trust Fund provided seed money for education, health and governance;

(e) The existence of common mechanisms or frameworks that could involve Governments in debating, implementing and reporting contributes to maintaining the dialogue and makes it possible to adjust programmes as needed;

(f) The very small unit that monitored the implementation of the United Nations System-wide Initiative for Africa (initially from New York and then from Addis Ababa) never had the weight nor the authority to influence the functioning of the thematic groups. It aided and facilitated their operations as much as possible, but was not in a position to reinvigorate those that collapsed. Its reports documented positive achievements but failed to present the many insufficiencies and failures.

204. The very positive contribution of the Initiative was spelled out above. The World Bank, the specialized agencies and the United Nations entities now dialogue and cooperate far more smoothly than at the beginning of the 1990s, while still maintaining healthy intellectual debate. The coordinating mechanism of the thematic groups has been taken up by the annual regional consultations of the United Nations agencies working in Africa. The role of the Initiative as a reference or a framework has therefore been overtaken. Its maintenance would simply perpetuate a regrettable characteristic of the 1990s, where the multiplication of initiatives distracted attention from what truly matters: implementation.

At the national level: common country assessment and United Nations Development Assistance Framework

205. In the spirit of inter-agency cooperation created by the United Nations System-wide Initiative for Africa, progress at the country level was decisive, with the decision that the United Nations team would prepare the common country assessment and, collectively, sign the United Nations Development Assistance Framework with the Government. The evaluation team noted how much both Governments and United Nations agencies praised the common country assessment and the United Nations Development Assistance Framework as mechanisms for ensuring dialogue, avoiding duplication and increasing aid efficiency.

206. Although welcomed by Governments and agencies, the United Nations Development Assistance Framework nonetheless imposes an additional layer of consultations with the Government and an additional reporting obligation for the agencies. It adds unnecessarily to the burdens of both Governments and United Nations field representatives. It would be more sensible if the Framework were to encompass all the activities of the United Nations and its agencies, thereby becoming the single document signed with the Government; and if the review of its implementation were to satisfy the governing bodies of the different agencies, the harmonization of procedures related to the delegation of authority would greatly facilitate initiatives and inter-agency cooperation at the field level. The work of the United Nations Development Group in this direction and its effort to harmonize planning cycles should be fully encouraged and supported.

IV. New Partnership for Africa's Development

207. The New Partnership for Africa's Development was launched at the OAU Summit held in Lusaka on 11 July 2001. The event was of major political significance, heralding a new era in the way global programmes for Africa were to be conceived, designed and agreed upon. From the beginning, the key advocates of the Partnership stated that the partnership plan was African-owned and African-designed and that it would be African-implemented. It is intended to change the way African countries are governed, the way they deal with each other and the way the rest of the world deals with Africa.

208. The main goal of the Partnership is to eradicate poverty, place African countries on a path of sustainable growth and development and ensure the continent's participation "in the world economy and body politic". "The programme is anchored on the determination of Africans to extricate themselves and the continent from the malaise of underdevelopment and exclusion in a globalizing world ... The poverty and backwardness of Africa stand in stark contrast to the prosperity of the developed world."[31]

(a) There are two distinct but interrelated elements of the New Partnership, the economic and the political. Its developmental goals will be realized by increasing growth rates to at least 7 per cent annually for the next 15 years — far beyond the record of past achievements — encouraging and enhancing diversification, and promoting regional integration. It will take enlightened leadership and total commitment by both Africa and the international community for these ambitious goals to be achieved. Moreover, it will

require policies very different from the ones that have so far failed to reach these objectives;

(b) The charter document of the New Partnership estimates that to achieve the 7 per cent annual growth rate needed to meet its development goals, Africa needs to fill an annual resources gap of 12 per cent of its GDP, or $64 billion, including an ODA element of about $12 billion. This a rough and ready estimate of resource needs. But whatever is finally agreed as the resource envelope for the partnership, it is clear that the ODA component will be higher than what donors have pledged to this point. As noted in section III.C.1 above on resource flows, the sums committed by developed countries at the recent International Conference on Financing for Development held in Mexico in March 2002 were appreciable, but still inadequate compared to the need;

(c) Another challenge for the New Partnership is the insistence of western Governments that African countries prove themselves before they receive more financial assistance. According to Group of Seven finance ministers and central bankers, meeting in February 2002, "sound policies, good governance and the rule of law" must be demonstrated in order to qualify for development assistance.[32] In Mexico a month later, President Bush added "economic freedom" to the conditionalities that will accompany his country's aid, by which he meant almost exclusively market-oriented policies. In other words, Africa's right to assistance must be matched by its responsibility to show that such resources would be used in ways that foreign donors consider appropriate. This proposition too must be reconciled with African ownership of development policy. While Africans criticize the failure of the developed ever to meet its various commitments, and although (contrary to widespread assumptions) there is still a net annual outflow of capital from the continent to the developed countries, western Governments have also raised questions regarding the continuing low level of development, despite significant levels of external assistance provided over the years. The Panel's view is that recriminations are not particularly helpful in this discussion. The truth is that much of the "wasted" went to despotic and notoriously corrupt regimes that donors chose to support in furtherance of their geopolitical interests during the cold war. It is also true that elsewhere, much aid was used ineffectively for reasons of poor policy frameworks. The Partnership's peer review mechanism has great potential for providing the level of comfort needed first and foremost by the African people and secondarily by donors, that development resources, both domestic and foreign, will be used efficiently. But for this potential to be realized, it is important that the mechanism be not operated, under pressure from donors, merely as an instrument for enforcing the now revised neoliberal orthodoxies;

(d) Here is where the economic and political elements of the New Partnership intersect. The Partnership acknowledges that there can be no development without democracy, respect for human rights, peace and good governance. In all recent Partnership-related discussions, it is widely acknowledged that the level of African commitment to the processes and mechanisms of good governance, including a peer review system, will ultimately determine the success of the initiative. That is why the revival of organs responsible for conflict prevention and conflict resolution in the African Union (formerly OAU) and the development of peer review mechanisms designed to ensure the protection of human rights, good governance and the promotion of peace and security lie at the core of the political proposals. Other priorities include administrative and civil service reforms, parliamentary oversight, combating corruption, non-governmental organization and civil society participation in decision-making and an independent judiciary;

(e) To demonstrate both credibility and leadership, the 15 Governments that form the Heads of State Implementation Committee of the New Partnership have sought advice from outside agencies on implementing their programme. For example, the ongoing work of ECA in developing indicators for measuring and monitoring governance in Africa has been endorsed by the Partnership's Heads of State Implementation Committee as the key analytical underpinning for the implementation process. They have also designated the African Development Bank to assist with infrastructure, a central African bank and financial standards; OAU with capacity-building for peace and security; ECA with economic and corporate governance; ECA and the African Development Bank with capital flows; and UNCTAD, FAO and OAU with market access and agriculture;

(f) The expectation is that the cooperation programmes of multilateral agencies, including the World Bank and others of the United Nations, as well

as bilateral initiatives by developed countries and international non-governmental organizations will be delivered within an overall framework established through the New Partnership process. This means that other new initiatives that might distract from the implementation of the Partnership will need to be strongly discouraged. Implementing the Partnership also means that its African ownership, which is its central principle, be fully and consistently respected by its partners and firmly insisted on by African Governments.

V. Lessons and recommendations

A. New Partnership for African Development: a momentum to support

209. As seen in section IV, with the adoption of the New Partnership at the OAU Summit at Lusaka in July 2001, there is now a development framework conceived by African leaders and reflecting the apparent will of Africa to take responsibility for its own development. With the creation of the Heads of State Implementation Committee, the Steering Committee, and the Task Teams, all regions of Africa and the main African organizations are now involved in the dynamic of the Partnership. And while it is still largely a vision, the process of sharing this vision with the African people and translating it into regional and national programmes is beginning to gain momentum. Given relative prominence of the interaction between African leaders and the Group of Eight in the overall circumstances in which the Partnership came to be formulated and its timetable arranged, the Panel is of the view that a thorough anchoring of the programme in a credible body of African ownership will be a fundamental condition of its success.

210. The Group of Eight, the donor community and the United Nations have welcomed the vision of the New Partnership; consultations are taking place in the hope of making the partnership a reality. Here again, the challenge is to translate goodwill into concrete and sustained dialogue and support. The welcome so far given to the Partnership by the international community offers a unique opportunity to clarify what partnership should mean and to transform supportive words into reality.

211. For the future, it is the view of this Panel that Africa and its partners should take the new partnership as the overarching reference for action drawing the full implication from the two key words: ownership and partnership. It is from this perspective that the lessons from the evaluation of the New Agenda for the Development of Africa are drawn, in the hope that they would prove valuable in pursuing both the design of the New Partnership's mechanisms and its implementation.

B. Development strategies: ownership and flexibility

212. Section III.A.1 above underlines the strength and weaknesses of the development strategy embodied in the New Agenda. This is particularly relevant as the Partnership embodies the positive elements of the Agenda and notes that structural adjustment programmes provided only a partial and imperfect solution to Africa's development needs.

213. In the New Agenda, on the positive side, are the key components of governance, the recognition that African Governments should act in concert and the principle that Africa's partners share responsibility for the fate of the continent. On the other side, section III.A.1 questions the excessive confidence that liberalization will automatically stimulate production and that a "sound macroeconomic environment" will suffice to avoid capital or human flight or will encourage domestic and foreign investment. In that section, it is recommended that further consideration be given to the role of the State in stimulating production and productive investments. Finally, it stresses the importance of a proper sequence of institutional changes, capacity-building, liberalization and privatization, which has proved to be a key issue in Eastern Europe.

214. These observations, and the point stressed in section III.B.1 that achievements differ considerably from one country to another, indicate that there are no one-size-fits-all solutions for Africa. The New Partnership provides some guidelines and principles but, wisely, does not enter into the details of what should constitute national policies.

215. Three recommendations flow from these considerations, namely:

(a) Each country should design its own national development strategy based on the guidelines and principles enshrined in the New Partnership;

(b) In designing national strategies, the sequence of reforms will have to be carefully addressed;

(c) When partners are deciding on their contribution to a particular country, they should keep in mind the principle of African ownership that they praise in the Partnership, and assess each country policy in relation to local circumstances, rather than to theoretical criteria, or their own preconceptions.

C. Peace and security

216. As has already been observed, success in ending such conflicts and delivering peace and security to the continent will be a key element in judging the Partnership's success. Following the above-mentioned 1998 landmark report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa, a flurry of United Nations initiatives of all kinds have been pursued. The report contained many recommendations related to every aspect of conflict, direct and indirect, and progress has been made in implementing some of them. But far too many conflicts remain unresolved, while others are dormant, ready to flare up at any moment.

217. While the Panel commends and encourages the many efforts under way to deal with this seemingly intractable situation, it is obvious that more needs to be done. This Panel calls upon Africa's leaders, in government and civil society alike; on the OAU/Africa Union; on the international community; on the United Nations system; and on relevant commercial interests, to work together to this end. This call is born of the recognition that all these parties have some responsibility for the conflicts that have raged across the continent.

218. New Partnership leaders acknowledge that there can be no development without peace, and that their entire programme could be undermined by the continuation of Africa's many conflicts. They also understand that donors expect conflicts to be resolved before substantial external resources are committed. They are determined to increase significantly the continent's capacity for conflict prevention, peacekeeping and peacemaking. However, since many conflicts have complex roots, they are not susceptible to resolution by Africans and African resources alone, and nothing less than coordinated international cooperation is demanded here. The Panel calls upon all parties to live up to their responsibilities and to take all steps necessary to put Africa on the road to peace and development.

D. Respecting and monitoring commitments

219. Several conclusions are inescapable from the consultations conducted by the evaluation team, the responses to the questionnaires sent to African countries and their partners, as well as some striking figures given in section III above. In practice, the New Agenda was not used as a reference by any of the partners. While components of the Agenda were partially implemented by the United Nations Programme of Action for African Economic Recovery and Development, it can be said that the Agenda did not quite become a focal point for economic policy or for resource mobilization on behalf of Africa.

220. As a consequence, the most important condition for the success of the New Partnership is that the partners respect their commitments. The Panel is of the view that, given the record of the past, this calls for the introduction of a monitoring system that would assess progress, determine whether the different parties are living up to their commitments and disseminate information in order to maintain public interest and awareness.

221. In assessing progress in Africa itself, the Panel suggests a report in which the specifics of country-by-country progress are not obscured by generalizations and regional averages. It should show the distribution of countries in relation to economic growth, export diversification, structural changes, as well as gender equality, education, health and poverty reduction.

222. Assessing whether Africa's partners are living up to their commitments should also be carried out on a country-by-country basis. It should cover not only ODA and debt forgiveness, but also all policies that impact African development, in particular trade and agriculture policies. It should also provide indicators of arms exports to Africa.

223. Public information is vital to maintain public interest and awareness, which feeds public support and leads to pressure for sustained action. A number of publications already exist and clearly they must be continued. In addition a web site would be useful.

1. On the African side

Ensuring genuine country-by-country ownership and commitment to the New Partnership

224. The New Agenda did not provide for the responsibilities and commitments accepted by Africa to be translated into national development strategies. In fact, they never were, which reflects, on the part of decision makers, not opposition to the content of the Agenda, but rather the absence of interest in, or even awareness of, yet another international strategy after so many disappointing attempts. Such disenchantment was compounded by the simultaneous lack of response from the international community. A clear national mechanism for guiding and monitoring the implementation of the commitments would have helped not only to mobilize ministerial departments and, later, civil society, but also to send a clear signal to the world that Africa was taking the New Agenda seriously. It could be added that the lack of support by the World Bank, reinforced by its critical role in coordinating and mobilizing donor support, meant that African countries had little incentive to take the Agenda seriously.

225. The ownership of the New Partnership by Africa and the apparent political will of its leaders are obvious advantages of which the Agenda was deprived. However, to make this effective, the Partnership needs to be translated into national strategies with the participation of civil society organizations, so that it evolves from being the vision of leaders to being an operational strategy for each country. Fortunately, the need to take these steps seems to be widely recognized, but the elaboration of national strategies cannot be a one-time exercise: The Partnership is a long-term undertaking that must be supported over the years by national institutions that consult, make decisions and secure their implementation. It is obviously the responsibility of each Government to determine the precise process; the lesson of the Partnership is simply that it must be done. Nevertheless, it is clear from the consultations held for the present report that the issue is of widespread importance and it is therefore worth sharing a few preliminary conclusions.

226. The poverty reduction strategy paper mechanism has the potential to become the vehicle through which the country elaborates its short and long-term strategy for faster, poverty-alleviating growth with structural transformation, guided by the overall framework of the Partnership, provided that it becomes truly national and participatory and encompasses all the dimensions of development.

227. In the countries that either do not fulfil the conditions for having a poverty reduction strategy paper or do not wish to have one, existing planning mechanisms should be mobilized to develop national development strategies in conformity with the Partnership.

Conducting peer reviews and African solidarity

228. The New Agenda noted that the critical economic situation in Africa called for solidarity among States that should act in concert to address shared problems. Many African countries have demonstrated courageous and generous solidarity during the past decade in difficult emergency circumstances: refugees were received in neighbouring countries; armies were sent to re-establish order and protect the rights of the population; food was provided to countries suffering hunger; and the OAU took measures to strengthen democracy and prevent conflict.

229. On the economic front, long-term cooperation at the subregional level made only uneven and slow progress, for reasons elaborated in section III.B above. Nevertheless, at least the consciousness has spread that solidarity and regional cooperation are the sine qua non of sustained and sustainable development. The New Partnership reflects this clearly, as does the decision to create the African Union. The Partnership foresees peer reviews to encourage countries to implement their commitments and underlines the importance of subregional cooperation. Lessons from the New Agenda related to subregional cooperation can be found in section III.B. Here, we turn to peer review.

230. A peer review mechanism was not envisaged in the New Agenda, but in the consultations for the present report, the issue was raised frequently. It is clearly considered a key mechanism for ensuring that African countries honour their commitments to the Partnership, something that was absent from the

Agenda. Those consulted emphasized different possible outcomes of peer review. Some, particularly but not exclusively, in the donor countries, saw them as a way for African peers to indicate the countries complying with commitments of the Partnership; those countries would be rewarded, it is hoped, by attracting greater external resources. Many others in African and some in donor countries saw the peer reviews as a way to identify the difficulties that a particular country faced, to exercise friendly pressure on that country to take the necessary measures, and to seek from the international community the resources to make these measures successful.

231. Drawing lessons from the experience of the Organisation for Economic Cooperation and Development, it appears that for the Partnership peer reviews to be acceptable, efficient and credible, they must be supported by a neutral pan-African secretariat and must adopt recognized criteria for good governance. The new system of national governance assessment developed by ECA, which will see participatory governance surveys produced and published in about 30 African countries, will be of great assistance in this process. The Panel wishes to emphasize that the reviews should, first and foremost, be designed to strengthen the confidence of the African people in their Governments.

2. On the donor side

232. Once the New Agenda was adopted, most bilateral donors began to demonstrate their indifference to the commitments they had made. ODA continued to decline, the debt grew and exports faced significant barriers. The Agenda was never referred to in documents describing bilateral cooperation policies, with the exception of the Tokyo International Conference on African Development, nor did it lead to making aid more efficient, better focused or coordinated. On the contrary, one of the lessons that emerges from the analyses presented above is that the multiplication of discrete initiatives during the 1990s, even if they had broadly similar goals, created more confusion and administrative burden than complementarities and additional resources.

Securing more efficient aid

233. In the consultations that were conducted for the present review, some donors expressed concerns about the efficiency of aid. To some extent, this is a legitimate concern, but the problems lie both with the countries and with the donors. If, on the recipient side, aid effectiveness demands good governance and accountability as addressed in the New Partnership, on the donor side significant improvements are also called for, as the literature on aid effectiveness amply demonstrates. The Panel believes that the issues on the donor side are well documented and do not need to be set out here in extenso.

Sufficient aid

234. The New Agenda set ambitious targets for ODA, linking it to a desirable growth target. Today, aid is more than ever indispensable to support growth and social priorities. Substantial growth combined with policies aimed directly at poverty reduction are the means of reaching the internationally agreed objectives to halve poverty by 2015 and to facilitate the needed structural adjustments that are otherwise almost unachievable. Even if capital flight were to be substantially reduced and domestic savings better mobilized, aid should be significantly increased and pooled in support of agreed national programmes, rather than in sectors preferred by particular donors.

Quality of aid

235. During the period covered by the New Agenda, a number of developed countries acted to unlink (or untie) their aid. Although some progress has been made in untying aid, a great deal more needs to be done. It is common knowledge that recipient countries pay much higher prices for supplies procured through tied aid (on average, 25 to 30 per cent higher) than obtains on the international market. The abolition of aid tying would therefore enhance the value of aid. Finally, as all major reviews have found, traditional forms of technical assistance have proved to be ineffective and wasteful from the point of view of capacity-building. Yet, they account for about a quarter of all aid flows. It is therefore urgent that these resources be gradually folded into country-driven capacity-building programmes supported by the African Capacity-Building Foundation in the overall framework of the New Partnership.

236. The efficiency of aid would be even more greatly enhanced if it responded to the needs perceived by the recipient countries. That seems obvious, but in practice it is not. Too often during the consultations, the expression of "imposed aid" or "imposed loans" was

heard. The key concept of the Partnership is "ownership" and the partners of Africa have particularly praised this concept. They should now draw the practical conclusions: refrain from initiating projects of their own, accept African leadership on aid coordination, and operate all existing dialogue and cooperation mechanisms in the spirit of the Partnership and for the achievement of its goals. For their part, Africans should actually exercise their leadership. Peer reviews should consider whether they succeed in doing so.

Harmonization and simplification of aid procedures and conditionality

237. It is well known that ministries in recipient countries are repeatedly diverted from their main tasks by innumerable visits of delegations offering, negotiating and monitoring programmes or projects. To make things worse, each donor partner has its priorities, conditionalities and reporting procedures. This has been clearly illustrated by a case study of the aid delivered to Mozambique by Germany, the Netherlands and the United Kingdom that concludes that "the three donors under review, while sharing a common commitment to poverty reduction, approach the challenge of Mozambique in rather different ways, particularly their contrasting views on budget support, the project approach, and technical assistance. They also have rather different institutional arrangements in Mozambique to address the need for donor coordination and local decision-making."[33]

238. Coordination among donors and harmonization of procedures would greatly help the beneficiaries of aid. The OECD Task Force on Donor Practices will produce its report by the end of 2002; it should provide guidelines for good practices that could help maintain a dialogue among partners in the donors' peer review processes (discussed below) on aid efficiency. Since there are no legal constraints that justify the different procedures and practices that now prevail, the Task Force's recommendation could be implemented expeditiously.

Conducting coherent policies

239. Among the commitments made by donors, the New Agenda singled out aid, trade, debt alleviation and support for diversification. It was a way of emphasizing that the policies that the donors follow in these different domains matter a great deal to their African partners and that progress in one domain can be undermined by regression in another. Coherence of policies is not a new issue: of particular importance for Africa are agricultural, trade and aid policies, as well as the brain drain and access to technology. Aid policies may be guided by ethical considerations or a vision of common global interests; in several industrialized countries, they receive reasonably popular support. All the other policies are guided by perceived national and, often, short-term interests. Only this can explain why Africa is prevented from maintaining subsidies while agriculture in most OECD countries benefits from heavy public transfers; why liberalization is advocated for Africa when protectionism remains commonplace among developed countries; why compensation for Africa for the fall of commodity prices is minimal, even though it has helped to curb inflation for so many years in industrialized countries; why Western nations open their arms to skilled Africans, exacerbating further the crisis of inadequate capacity on the continent.

240. Even if not focused on the case of the developing world, it is encouraging that the May 2001 OECD Council Meeting at Ministerial Level stressed the need, nationally and internationally, to bring greater coherence across the range of policies that impact on the shaping of globalization to the benefit of all, ensuring that the poorest are not left behind. Of course, it is by no means the first time that such a declaration had been made. Perhaps this time it will be acted on. In the spirit of the New Partnership:

(a) The issue of policy coherence should be addressed;

(b) Actual progress should be made on concrete problems related to debt relief, trade and subsidies;

(c) These matters should be discussed in the peer review process for donors.

Opening donors' peer reviews to African partners

241. The Development Assistance Committee of OECD organizes regular peer reviews of the aid policies, practices and achievements of each of its members. Generally, peers seek evidence in one or two of the developing countries in which the reviewed OECD country is particularly active. In principle, the review is conducted among Development Assistance Committee members without the participation of the

countries visited and is limited to aid issues. This could be changed to include the participation of the visited countries and to cover not only aid efficiency, but also policy coherence. The example above of the review of the aid programmes of three donors in Mozambique offers another way to review aid efficiency and policy coherence.

E. Response of the United Nations system

242. The role of the United Nations system in the implementation of the New Agenda is reviewed in section III.D; it underlines the progress in inter-agency coordination and the sensitivity of United Nations agencies and entities to the diverse country situations. The main conclusion is that it is regrettable that the United Nations and its agencies were not used more as a channel for delivering assistance to Africa.

243. Looking ahead, it is important to draw lessons from the New Agenda experience and to keep in mind the basic functions of the United Nations: to provide information and analysis, to establish principles and negotiate conventions and norms or agreements on policies and to provide technical assistance. In addition, the United Nations offers a neutral forum where all countries are on an equal footing. These functions are exercised at the national, regional and international levels and it is at these three levels that the United Nations system has to stand ready to support the New Partnership.

244. The Bretton Woods institutions and the United Nations and its agencies have already been sensitized to the Partnership by the CEB process; it has invited all the organizations of the system to review their Africa-related programmes and activities and to examine how they can respond to the Partnership. Several entities have already been asked to provide inputs by its Steering Committee and have responded positively. This is a welcome recognition of the expertise of the entities consulted, but it should not exempt the United Nations system as a whole from providing an organized and coordinated response, as requested at the 2001 high-level segment of the Economic and Social Council.

1. At the national level

245. It is at the national level that the United Nations exercises most of its technical assistance. In the future, assistance provided should, on the whole, be devoted to the implementation of the national strategy designed in the context of the Partnership. The United Nations Development Assistance Framework would become the integrated document indicating how the United Nations will mobilize its resources to respond to national demands. In the coming years, there may be a problem of timing, but in practice, with regular reviews of the national strategy and of the Framework, things should fall into place. Ideally, United Nations entities should stand ready, building on the common country assessment, to answer any governmental request to assist in the formulation of the national strategy, be it in the context of the poverty reduction strategy paper or of the medium-term plan; when this strategy has been adopted, the Framework should present the response of the United Nations. It would be premature at this stage to recommend that the Framework and the poverty reduction strategy paper be merged, but it is not premature to underline the useful contributions that the United Nations and its agencies could make in the elaboration of the strategy paper or of the national plan.

2. At the regional level

246. The region or continent is the level at which it is desirable to produce comparative data and analyses, to organize debates on economic and social issues of common interest, to facilitate inter-agency consultations and intergovernmental dialogue (eventually with the participation of civil society actors or non-African partner Governments) and to conduct regional programmes. Initiatives taken by ECA along these lines should be pursued and recommendations made by the former Administrative Committee on Coordination (now CEB) on regional coordination should be implemented. At its first meeting of 2001, the Committee recommended shifting the focus of inter-agency coordination increasingly to the regional level as a key to help advance African leadership and ownership. Similarly, United Nations system organizations were also encouraged to participate in the inter-agency regional consultations being convened by ECA in order to determine how they would assist in the implementation of the New Partnership initiative.[34]

247. It is the natural function of the diverse commissions, committees and working groups of ECA to facilitate exchanges of experiences on different economic and social issues. Particular attention should

be given to the priorities of the Partnership. With regard to economic integration, for example, where it appears that the absence of commonly agreed norms and standards impedes inter-African and international trade, ECA could usefully host the necessary consultations.

248. The "Big Table" Conferences initiated by ECA in 2000 are an excellent example of the new relationship between African countries and their international partners. Big Table I brought together bilateral and multilateral donors and finance ministers from 12 African countries for what is described as a frank dialogue on aid. The debate continued in Big Table II, which focused on governance, aid effectiveness and an African peer review system. The Big Tables reflect the spirit of the Partnership and should be encouraged. Similarly, in 1999, recognizing the pressing need for a unique regional environment where Africans from different sectors of society and their development partners could meet to address critical issues confronting the continent, ECA created the African Development Forum. Issues discussed so far have been information and communication technologies, HIV/AIDS and regional integration. This indicates how the Partnership can be assisted to identify the priorities attached to a complex problem and to elaborate coherent policy response.

249. The Annual Regional Consultation of United Nations System Agencies Working in Africa, which was held in Addis Ababa in October 2001 (with the evaluation team in attendance), was guided by the recommendations of the Administrative Committee on Coordination referred to above. Two main issues relevant to the present report were discussed: the lessons from the United Nations System-wide Initiative on Africa in implementing the Partnership and reporting arrangements on United Nations support to Africa. The conclusions on the Initiative that are presented in section III.E.4 above benefited from this debate. Practical decisions were taken at the consultations that should be implemented and regularly updated to respond to the needs of the Partnership.

250. First, the clustering arrangements of agencies by mandate and expertise around common thematic priority areas were a positive initiative of the System-wide Initiative on Africa. To be successful, each arrangement should make available some seed money to facilitate coordination and should designate a lead agency that devotes the necessary human resources to exercise strong leadership. The outstanding request of the United Development Group for resources to facilitate inter-agency cooperation should be met.

251. Second, to provide a comprehensive and coherent view of the United Nations support to Africa in the economic and social sectors, it is proposed that reporting would be done on a cluster basis around the thematic clusters identified by the meeting. The focal agency of each cluster should work closely with its partner agencies in collating submissions. ECA would prepare an annual report on this basis.

3. At the global level

252. The global level is where international and United Nations support to the Partnership are promoted and monitored, information on the progress achieved is provided and appropriate attention to African specificity in global debates is secured.

253. On 16 September 2002, the General Assembly will devote a one-day debate to the New Partnership within the framework of the final review of the implementation of the New Agenda. It will provide an occasion to recognize Africa's determination to own and lead its future and to commit international support to this initiative.

254. On that occasion:

(a) The Secretary-General may wish to pledge, on behalf of the United Nations System Chief Executives Board for Coordination, the full support of the entire system and its commitment to respond in a coordinated manner to the needs expressed by African countries;

(b) The Secretary-General may also wish to recommend that regular joint meetings of the Security Council and the Economic and Social Council devoted to Africa be held to consider the interrelated issues of peace, security and development;

(c) The General Assembly may choose to review regularly, perhaps every other year, the support extended by the international community and the United Nations system to the implementation of the New Partnership for Africa's Development, and the progress achieved. This process would identify where greater efforts are needed and concretize the notion of partnership embodied in the Partnership.

255. Over the past decade, the specificity of Africa has been acknowledged in global conferences, summits and the United Nations Millennium Declaration. Although some of those consulted by the evaluation team raised concerns that Africa's problems were too often singled out for attention, it is recommended that specific provisions for the continent continue to be introduced in global negotiations. It is obviously for the competent agency or entity to prepare the substantive background for such negotiations. But it would improve the coherence and the efficiency of these provisions if an office with a comprehensive vision of United Nations policy towards Africa could provide appropriate guidance.

256. Similarly, the General Assembly and its subsidiary bodies will continue to have on their agenda several debates on political and economic developments in Africa. The documentation for those debates is prepared by different agencies or entities. It appears that the documentation would gain in coherence and relevance if a special office were to be created or mandated to guide the preparation of those reports. Such an office should have the necessary authority and expertise to encourage the different agencies and entities to devote sufficient time and thought to the preparation of meaningful contributions.

257. It is the recommendation of the Panel that the Under-Secretary-General and Special Adviser to the Secretary-General on Africa should be mandated to exercise the needed leadership, providing guidance for the preparation of global negotiations of importance for Africa, as well as for the preparation of reports on Africa for the General Assembly and its subsidiary bodies. To provide such assistance, adequate resources are required. For this purpose, the Office of the Special Coordinator for Africa and the Least Developed Countries should be attached to or integrated into his office.

258. There is need for a single report on the United Nations in Africa that enables the Secretary-General to tell a coherent story of the overall support of the United Nations to Africa in the context of the political and economic evolution of the continent. To provide the Secretary-General and, if requested, the General Assembly with such a comprehensive picture of the situation in Africa, the Special Adviser on Africa could prepare an overview of the interrelated dimensions of peace, security and development. Such an overview could build on several foundations: the report mentioned above; the collective effort of the United Nations system to be prepared by ECA working with the United Nations agencies; the well-established ECA annual *Economic Report on Africa*; as well as the report that was established following the report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318). Regularly updated statistical tables should accompany such a synthesis.

Notes

[1] United Nations Conference on Trade and Development, *African Development in a Comparative Perspective*, Oxford University Press, 1999, p. 9.

[2] Contribution of the African Group to the Final Review of the United Nations New Agenda for the Development of Africa in the 1990s, p. 2.

[3] Report of the Secretary-General on the critical economic situation in Africa: final review and appraisal of the implementation of the United Nations Programme of Action for African Economic Recovery and Development, 1986-1990 (A/46/324), paras. 3-4.

[4] Office of the Special Coordinator for Africa and the Least Developed Countries, pamphlet, entitled "United Nations New Agenda for the Development of Africa in the 1990s", 1992, p. 4.

[5] A/46/324.

[6] Adopted by the Conference of Ministers of the Economic Commission for Africa on 10 April 1989 (E/ECA/CM.15/6/Rev.3).

[7] General Assembly resolution 46/151, annex II.B, para. 10.

[8] United Nations Conference on Trade and Development, *African Development in a Comparative Perspective*, published by James Currey, 1999, pp. vii and 2.

[9] SAPRIN is an international civil society organization that recently completed a three-year review of the experience of structural adjustment programmes that included four country studies in Africa. Their assessment was based on the results of the Structural Adjustment Participatory Review Initiative (SAPRI), which was organized jointly by the World Bank and civil society. Funding was provided, among others, by five Western European Governments, the European Union, the United Nations Development Programme and several prominent foundations.

[10] SAPRIN, Executive summary, "The policy roots of economic crisis and poverty: a multi-country participatory assessment of structural adjustment", November 2001, p. 24.

[11] This section draws on the following reports: UNCTAD, "Economic development in Africa: performance, prospects and policy issues" (TD/B/48/12); Global Coalition for Africa: 2000-2001 Annual Report; World Bank, Can sub-Saharan Africa reach the international targets for human development?: an assessment of progress towards the targets of the 1998 Second Tokyo International Conference on African Development (TICAD II).

[12] Report of the Secretary-General on the role of the United Nations system in supporting the efforts of African countries to achieve sustainable development (E/2001/83), para. 33.

[13] Economic Commission for Africa, "Transforming Africa's economies: overview, 2001, based on the *Economic Report on Africa 2000*.

[14] International Institute for Strategic Studies, *The Military Balance*, 2000-2001.

[15] United States Department of State, Bureau of Intelligence and Research, *Arms and Conflict in Africa*, July 1, 2001.

[16] William Hartung and Bridget Moix, Deadly Legacy: *US Arms to Africa and the Congo War*, Arms Trade Resources Centre, World Policy Institute, Washington, D.C., 2000.

[17] Report on the third session of the Committee on Development Policy (2-6 April 2001), *Official Records of the Economic and Social Council, Supplement No. 13* (E/2001/33), para. 12.

[18] United States Department of State, Bureau of Intelligence and Research, *Arms Flows to Central Africa/Great Lakes Fact Sheet*, November 1999.

[19] UNCTAD, Foreign direct investments in Africa, 1995, Sales No. E.95.II.A.6, p. 94.

[20] UNCTAD, *World Investment Report, 2001*, Sales No. E.01.11.D.12, p. 19.

[21] A/48/335 and Add.1 and 2.

[22] Office of the Special Coordinator for Africa and the Least Developed Countries, "Education and Training in Africa: challenges and responses", September 2001.

[23] Santosh Mehrotra, *The Rhetoric of International Development Targets and the Reality of Official Development Assistance*, United Nations Children's Fund, 2001, p. 20.

[24] Jeffrey Sachs, *Macroeconomics and Health*, World Health Organization, 2001.

[25] World Bank, Africa Environment Group, *Africa Region Environment Strategy*, January 2002.

[26] UNCTAD, *Economic Development in Africa, 2001* (TD/B/48/12), p. 35.

[27] E/2001/CRP.3.

[28] UNCTAD, "Duty and quota-free market access for LDCs: an analysis of quad initiatives" (UNCTAD/DITC/TAB/Misc.7), 2000.

[29] General Assembly resolution 46/151, annex II, para. 40.

[30] Ibid., para. 47.

[31] See A/56/457, annex I, AHG/Decl.1 (XXXVII), para. 2.

[32] Heather Scofield, "G7 wants countries to prove themselves worthy of aid", *Globe and Mail*, 11 February 2002.

[33] Organisation for Economic Cooperation and Development, Development Assistance Committee, Joint assessment of the aid programmes of Germany, the Netherlands and the United Kingdom in Mozambique (DCD/DAC (2001) 24), 14 November 2001.

[34] Document ACC/2001/11, paras. III.14 and III.20.